Race, Ethnicity and Disability: The financial impact of systemic inequality and intersectionality

April 28, 2021

Webinar will start promptly at 2:00 PM ET.
Welcome

Michael R. Roush, M.A., AFC®
Director, Center for Disability-Inclusive Community Development
National Disability Institute
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Webinar Agenda

• Overview of the Center for Disability-Inclusive Community Development

• Presentation
  o Race, Ethnicity and Disability: The financial impact of systemic inequality and intersectionality

• Q&A
National Disability Institute (NDI)

NDI is a national nonprofit organization dedicated to building a better economic future for people with disabilities.

NDI is the first national organization committed exclusively to championing economic empowerment, financial education, asset development and financial stability for all persons with disabilities. NDI affects change through public education, policy development, training, technical assistance and innovative initiatives.

Visit nationaldisabilityinstitute.org.
Center for Disability-Inclusive Community Development (CDICD)

The Center for Disability-Inclusive Community Development, managed by National Disability Institute, is working to build the awareness that people with disabilities are a part of all communities and the needs of disability community need to be a part of community development activities.
Disability-Inclusive Community Development

• Disability-inclusive community development is assuring that ALL are included in activities that promote the wellbeing of a community.

• This may include enhancing affordable housing, workforce development and building the financial knowledge of low and moderate income (LMI) individuals with and without disabilities.

• An inclusive community development approach assures that the wellbeing of all is the focus.

Visit: cdicd.org
Welcome

Denise Steele
Relationship Manager, Community Reinvestment & Partnerships
JP Morgan Chase
Presenters

Lillian D. Singh
Vice President, Programs & Racial Wealth Equity
Prosperity Now
Racial Wealth Inequality: The Causes and Consequences

Lillian Singh, VP of Programs & Racial Wealth Equity
Prosperity Now
April 28, 2021
What is Wealth?

Earn + Own - Owe = Wealth

PROSPERITY NOW

RACIAL WEALTH DIVIDE INITIATIVE
Lens: Components of Racial Economic and Wealth Equity

“We CATCHING UP TO WHITE WEALTH
If median Black and Latino wealth grew at the same pace it has over the past three years.

Abolition of slavery in the United States
1620
1865
1964
2016
2110
2258

245 YEARS
94 YEARS
242 YEARS

Latino families achieve wealth parity with white families of 2016
Black families achieve wealth parity with white families of 2016

PROSPERITY NOW
RACIAL WEALTH DIVIDE INITIATIVE
The Foundation of the Racial Wealth Divide
Framing the Racial Wealth Divide

“The foundation of racial inequality is racialized economic inequality and the foundation of economic inequality is wealth inequality.”
Excluded from America’s 1st Social Safety Net
Disproportionate Benefits of the GI Bill

RACIAL WEALTH DIVIDE INITIATIVE

Disproportionate Benefits of the GI Bill

- Low cost home mortgages
- Banks unwilling to extend credit
- Low interest business loans
- Tuition Assistance

VETERANS— if buying a Farm, Home or Business, learn about GUARANTEED LOANS

CONSULT YOUR NEAREST OFFICE OF THE VETERANS ADMINISTRATION

PROSPERITY NOW
Federally Sanctioned Housing Discrimination

“YOU NEED TO SPEAK TO ONE OF OUR LOAN OFFICERS!”

RACIAL WEALTH DIVIDE INITIATIVE
The Legacy and Current Consequences of Racial Economic Inequities
What’s the matter? It’s the same distance, right?

“What’s the matter? It’s the same distance!”
WEALTH: The sum of all assets in an economy (a stock concept)

INCOME: The money generated from that wealth (a flow concept)

Greater wealth leads to greater income (which can explain why differences between rich & poor can widen without gov’t intervention.)

PROSPERITY NOW

RACIAL WEALTH DIVIDE INITIATIVE
As of March 2021, Black and Latinos continue to face the highest levels of job loss, with an unemployment rate approaching 10%, much higher than that of the overall population (6%).

Documented research of racial discrimination in hiring practices, and occupational segregation is the cause.

White Americans disproportionately benefit from labor unionized jobs that has allowed for on the job benefits and pensions during retirement.

On average, Black workers experience higher rates of unemployment at every level of education and lower wages at every level of education and in every occupation.
Homeownership

• The Homeownership rate for White households is 76%, compared to 46% for Black households and 51% for Latinos.
• Black homebuyers have a mortgage denial rate of 12.64%, over double that of the overall denial rate for all races (6.15%).
• As of October 2020, 5% of White homeowners are behind on mortgage payments while 10.5% of Blacks and 12% of Latinos are behind on theirs.
Education Is Not The Great Equalizer

PUBLIC SCHOOL REVENUE SOURCES

- 44% Local Property Taxes
- 45% State Sources
- 11% Federal Sources

RACIAL WEALTH DIVIDE INITIATIVE
3 Ways to Address the Racial Wealth Divide

**Identify** the ways the racial wealth divide impact communities you care about and/or work with

**Develop and Implement** policies and procedures that can best address the racial economic inequality that is found throughout the economy

**Advocate** for policies and procedures that will bridge the racial wealth divide
Thank You!
Presenter

Nanette Goodman
Director of Research, Burton Blatt Institute
Syracuse University
Race, Ethnicity and Disability:
The financial impact of systemic inequality and intersectionality

nationaldisabilityinstitute.org/reports/research-brief-race-ethnicity-and-disability/
Race/Ethnicity, Disability and Intersectionality

• Data from multiple sources show disparities by race/ethnicity and by disability where Black Americans with disabilities face an even harder economic reality than either Black Americans without disabilities or Non-Black Americans with disabilities.

• Why--
  o Overlapping inequality and inequity: People face systemic inequality based on race/ethnicity and disability.
  o Black Americans with disabilities face unique systemic challenges as a result of their intersecting identities.

• Intersectionality is “a lens, a prism, for seeing the way in which various forms of inequality often operate together and exacerbate each other.”

• Economic disparities affect how well different groups will be able to weather the consequences of the COVID-19 pandemic.
How Disability is Defined in Data Sources

• Many large National Surveys include the following six questions to identify respondents with a disability:
  o Do you have serious difficulty hearing?
  o Are you blind or have serious difficulty seeing even when wearing glasses?
  o Because of a physical, mental, or emotional condition, do you have serious difficulty concentrating, remembering, or making decisions?
  o Do you have serious difficulty walking or climbing stairs?
  o Do you have difficulty dressing or bathing?
  o Because of a physical, mental, or emotional condition, do you have difficulty doing errands alone such as visiting a doctor's office or shopping?

• Respondents who answer “yes” to at least one question are considered to have a disability when we compare people with and without disabilities.

• We know the questions are not perfect. Disability is a complex concept that is difficult to capture in a small number of questions.
Poverty Rate of Working-age Population, by Race, Ethnicity and Disability Status, 2018

- Disability is both a cause and a consequence of poverty.
- The poverty rate among Black Indigenous and Latinx communities is higher than the rate of white communities regardless of disability status.
- Regardless of race and ethnicity, individuals with disabilities are significantly more likely to be living in poverty than those without disabilities.
- The highest poverty rates are among Black and Indigenous people with disabilities.

Percentage of Working-age Adults with Bachelor's Degree or Higher by Race, Ethnicity and Disability Status, 2018

- Individuals with disabilities have lower levels of educational attainment within each racial/ethnic group.
- All racial/ethnic minority groups have lower levels of educational attainment when compared to non-Hispanic white individuals.
- Because educational attainment is such an important factor in employment and income, the lower level of education among adults with disabilities, and especially among BIPOC adults with disabilities, has a significant impact on economic outcomes.

Employment to Population Ratio by Race and Ethnicity, January-September 2020

- People with disabilities have much lower employment rates (employment to population ratio) than people without disabilities.

- One-third of Black Workers with a disability lost their job between February and April. Most of the jobs recovered by September.

Household Net Worth by Race, Ethnicity and Disability Status of Working-age Householder, 2016

- Data looks at working-age households only.
- Significant disparities by disability status and race.
- NH Black households with a disability have an average net worth of only $1,282.

Percentage of Households That Spend More Than 50% of Income on Housing, By Race, Ethnicity and Disability Status, 2019

- Cost-burdened = 30% or more of Income on Housing
- Severely cost-burdened = 50% or more of Income on Housing.
- One third of Black and Latinx Households with a household member with a disability are Severely Cost Burdened.

Source: US Census Bureau, American Housing Survey, AHS Table Creator
Another Issue—Extra Out-of-Pocket Disability-related Expenditures

• People with disabilities:
  o Are less likely to be employed and thus less likely have income from wages.
  o On average, have lower wages than those without disabilities.
  o Are more likely to be low or moderate income or live in poverty.

• Poverty is measured based on income. Eligibility for means-tested public programs is predominantly based on income.

• These income measures do not consider expenses or the additional out-of-pocket costs associated with living with a disability. As a result they understate the true level of economic hardship for households that include a person with a disability.
What extra costs do people with disabilities face?

**Indirect costs**
- Foregone earnings that people with disabilities have because they face barriers to work
- Family members may reduce their amount of paid work to provide care and support to their family member with a disability
- These indirect costs are captured when we measure income

**Direct out-of-pocket costs**
- Personal assistance services
- Out of pocket health care costs
- Extra costs of housing that is accessible and convenient
- More expensive car to accommodate modifications
- Maintaining service animals
- Extra costs of food for special diet
- Etc., etc., etc.
- See #disabilitytax or #criptax
Major Finding: Average Disability-related expenses = 28% of income

Using a statistical approach, we find that a household containing a working-age person with a disability requires 28% more income to have the same standard of living as a similar household without a member with a disability?

This means that for someone at the median income would spend an extra $17,690 a year.

We did not find statistically meaningful differences by race.

nationaldisabilityinstitute.org/reports/extra-costs-living-with-disability/
Poverty rates for households with adult members with disabilities: adjusted and unadjusted for the extra costs of disability

- If the Federal Poverty Level was adjusted for the extra costs of disability, the rate of poverty among adults with disabilities would increase substantially.
  - We estimate that approximately **2.2 million** more people with disabilities would be counted as poor.
- This would expand eligibility for many health and public benefit programs.
Our Goal: Equity

Race, Ethnicity and Disability:
The Financial Impact of Systemic Inequality and Intersectionality

National Disability Institute, August 2020

The Moment of Today

Today, the U.S. is facing two concurrent crises, the COVID-19 pandemic and widespread recognition of historic and systemic racism that disproportionately impact Americans that are Black, Indigenous and People of Color (BIPOC). COVID-related hospitalization rates for non-Hispanic, Black and Indigenous persons are five times that of non-Hispanic white persons. The Latino community comes in at close third, with hospitalization rates four times that of non-Hispanic white persons. Additionally, Black-owned businesses experienced more difficulty receiving money from the $500 billion government stimulus package.1 Atrame Audrey, George Floyd and Breonna Taylor are part of a far-too-long list of murdered Black Americans whose names are being chanted in protests across the country. These protests continue to raise awareness on the dangers of systemic racism on Black Americans and communities of color. The country is experiencing a crisis in this moment when Black Americans are three times as likely to die at the hands of police and 2.5 times as likely to die at the hands of COVID-19 than white Americans.2

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Links to 2018 Report and 2020 Brief

nationaldisabilityinstitute.org/reports/research-brief-race-ethnicity-and-disability/
Panelists

Donna M. Coulter, PhD
Member Engagement Administrator, Customer Services Department
Detroit Wayne Integrated Health Network

Tom Stokes
Former Regional Manager, Community Affairs Atlanta Region, Division of Depositor and Consumer Protection (DCP)
Federal Deposit Insurance Corporation (FDIC)

Bryan Gill
Operations Director, Business Solutions Team (BeST)
JP Morgan Chase
Questions and Answers
Thank You

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JPMorgan Chase & Co.
Thank You!

To learn more about the Center for Disability-Inclusive Community Development, please visit: cdicd.org.

If you have questions after the webinar or would like more information on CDICD, please send an email to ask@ndi-inc.org.