Black Policy Matters:
Toward An Antiracist Policy Agenda

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“There is no such thing as a nonracist or race-neutral policy. Every policy in every institution in every community in every nation is producing or sustaining either racial inequity or equity between racial groups.”

Ibram X. Kendi
How to Be an Antiracist
Since 2000, Policy Matters Ohio has provided an essential voice in Ohio’s policy debate. We do our best to make the case for good jobs, strong neighborhoods and smart solutions to complex problems, that support communities and help working families get ahead. But that’s not enough. If we want to build an Ohio that works for everyone, the policies we advance must be antiracist. Below we share with you the policy areas we know can bend the arc of history toward social and economic justice for African Americans in Ohio.

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Black people are a critical part of Ohio’s workforce and helped turn the state into an industrial powerhouse. During the great migration of the 20th Century, African Americans came to Ohio and other Midwestern states in search of jobs in a booming industrial economy.¹ They faced backlash and discrimination, but many joined unions and earned good wages. When that boom turned to a bust and manufacturing companies moved out of state and overseas in search of a cheaper workforce, many Black Ohioans lost their stable, well-paying jobs.²

The Black workforce in Ohio fares worse today than they did in 1979. The typical Black worker in Ohio earned $16.90 in 1979, but just $14.62 by 2018.³ Over that time, Black workers’ earnings fell in comparison to white workers’ from 90 cents on the dollar to 74 cents. Black workers continue to face both outright discrimination and segregation that force them into lower-paying, less stable jobs. The legacy of past discrimination has left Black families with less wealth and fewer avenues to education that could lift them up. Even when Black workers do pursue advanced education, they are still paid less and are more likely to be unemployed than their white counterparts. The Civil Rights Act of 1964 made flagrant racial discrimination in employment illegal. Yet more tacit forms of discrimination persist.

The loss of manufacturing jobs has been especially devastating to Black workers and their families. African Americans have found work in lower-paying service jobs—the same type of jobs that are becoming more prevalent in Ohio. Six of Ohio’s 10 most common jobs today pay too little to support a family of three without food aid. These jobs include cashiers, janitors and cleaners, and stock clerks.⁴ Fast food companies are projected to have the most annual job openings in Ohio through 2026; prep workers will see just under 32,000 openings a year.⁵ There will be 12,020 openings for home health aides, which is likely to be the state’s single fastest-growing job, increasing by nearly 44%. Fast food employers pay a typical service worker $9.21 an hour. A typical home health aide earns barely more: $10.33.⁶

Pay everyone fairly for all the work they do.

Michael Shields
Because outright and implicit racism has forced Black Ohioans to the bottom of the labor market, raising the minimum wage is a targeted antiracist policy—one that will help many white Ohioans as well. A coalition called Ohioans for Raising the Wage is asking voters to approve a $13 an hour minimum wage by 2025. If it passes, nearly 41% of all Black Ohio workers would be paid more fairly for the work they do, a total of 227,200 people.7

Source: Economic Policy Institute using data from ACS and CPS-ORG. “Asian or other race” category is a combined category based on the Census Bureau’s designations. Asian Ohioans comprised too few survey respondents to separate.
In addition, employers are more likely to steal wages from African American employees. Estimates show Ohio employers stole wages from more than 35,120 Black workers and 164,600 white workers each year from 2013-2015. Among Black workers 8.7% experienced wage theft, compared with 5.1% of white workers. Black workers were 70.1% more likely than their white counterparts to be victims of minimum wage violations—meaning their employers paid them less than the minimum wage. Currently, Ohio has five investigators and one supervisor covering all wage and hour violations. With the state failing to do its job, cities like Cincinnati can use their power to ensure employers pay all working people for the hours they spend on the job when they contract with private businesses, grant tax incentives and issues licenses.

Most state policies do not explicitly express racist intent, but the outcomes have led to disparities among racial and ethnic groups. We support antiracist policies that will have significantly positive effects for African Americans in Ohio.

**Policy Recommendations:**

- Support Ohioans for Raising the Wage, which filed initial petitions to raise Ohio’s minimum wage to $13 per hour over five years.

- Ohio lawmakers can substantially increase resources available to protect workers and enforce wage and hour laws.

- If state lawmakers fail to step up, Ohio cities can follow Cincinnati’s lead and pass anti-wage theft ordinances.
Public policies and business practices systematically deny Black people opportunities to build wealth and financial security. When lawmakers created Social Security benefits in the 1930s, they deliberately excluded domestic workers, a large share of whom were Black women. Black veterans were seldom able to take advantage of the benefits of the G.I. Bill, which helped build the white middle class after World War II. Banks often refused credit to people of color, or charged significantly higher rates than they did for white people.

While policymakers in the late 1960s and 1970s passed laws that tried to dismantle discriminatory financial exploitation, new practices have emerged that require strong regulation as well. In the early 2000s and even before, mortgage lenders deliberately targeted Black borrowers with subprime loans, regardless of their credit history. The foreclosure crisis that ensued caused Black families to lose billions of dollars in wealth that likely will never be recovered. Financial institutions continue to prey on Black people with predatory financial products like payday loans and high-fee prepaid debit cards. In 2018, Congress voted to allow car lenders and dealers to charge Black borrowers higher interest for auto loans. Research has shown that auto insurance companies engage in “redlining” by charging higher rates to customers who live in ZIP codes where the majority of residents are Black. Earlier this year, Prosperity Now reported that poverty among Black Ohioans is nearly triple that of white Ohioans. More needs to be done to protect Black consumers from new schemes and business practices meant to strip their ability to build wealth.

Racial segregation included policy, business practices and coordinated violence, to limit where people of color could live. Redlining, deceptive real estate agents and landlords prevented Black people from living in white neighborhoods. Today these practices are illegal, but according to analysis of U.S. Census data, of the top 20 most racially segregated cities in the country, five are in Ohio: Cleveland, Cincinnati, Dayton, Toledo and Youngstown. According to the Prosperity Now Scorecard, in
Ohio: The white homeownership rate of 72% is twice that of Black homeownership, which is 36%. One in three Black Ohioans spend over 30% of their income on their home vs. one in four white Ohioans.\textsuperscript{11}

Banks also have denied Black families’ access to federally backed mortgages, pushing them into predatory land contracts.\textsuperscript{12} Homeownership is the primary asset for most Americans, and this business practice prevented many African Americans from creating financial security and building generational wealth.

Predatory lenders continue to target Black communities. During the national home foreclosure crisis, lenders stripped Black families of billions in wealth.\textsuperscript{13} Ohio was ground zero and 10 years later, still had more than 33,000 foreclosures in 2018.\textsuperscript{14} This perfect storm encouraged the growth of predatory land contracts. Land contracts are rent-to-own schemes that saddle the consumer with the costs of home repairs and often exorbitant fees. The seller agrees to transfer the title to the buyer after the house has been paid in full.\textsuperscript{15} In this new iteration, land contracts target low-income families, especially African Americans.

\textbf{Policy Recommendation:}

Ohio policymakers need to step in to protect Black people from predatory schemes. House Bill 103 would regulate land contracts and ensure that consumers are not saddled with the upkeep of dilapidated homes that prevents them from building wealth and financial security. Ohio legislators should pass House Bill 103, which is currently pending in the Ohio Legislature.
Ohio's public universities are some of the best in the nation, but they don’t serve Black students as well as they serve white ones. The Ohio State University’s student body is just 5% Black, less than half the share of Black people in the state. In addition to lack of investment in African American students around the state, high tuition and other costs keep many college students from succeeding.

Affordability is a problem at all Ohio public universities. Including tuition, fees, room and board and costs defrayed by financial aid, the Institute for Research on Higher Education ranks Ohio 45th in college affordability. Students whose families have incomes below $30,000 (nearly a quarter of all families) would need to spend 81% of their income to pay for one year of the net price of a public university in Ohio and 38% for community college. For Black families who are more likely to be paid low wages and have lost wealth due to predatory lending, Ohio’s colleges can be out of reach.

In addition to the challenges Black students face in attending a traditional state public school, they must also overcome barriers and even penalties to pursue their secondary education at a community college or publicly funded Historically Black College or University (HBCU) in Ohio.

Central State University is Ohio’s only public HBCU, and one of only a few in the Midwest. It is one of 13 state-assisted universities in the Ohio University System. The Ohio Senate passed legislation in 1892 that would have given Central State federal Land Grant funding. However, the Ohio House, at the urging of former president and OSU Trustee Rutherford B. Hayes, reversed course and gave the funds to OSU instead. It was not until 2014 that Congress finally recognized Central State as a Land Grant institution.16
Our state has ambitious goals to dramatically increase the number of Ohioans who have some education beyond high school, but there are too many barriers that keep Ohioans from achieving those goals—especially Black Ohioans.

Part of the problem is that state lawmakers don’t put enough resources into the state’s need-based aid program, the Ohio College Opportunity Grant (OCOG). A deeper problem is the program’s structural flaw that gives students at Central State and community colleges less aid than it gives students at traditional state schools. OCOG is a last-dollar award, which means that other resources are factored in first, including federal Pell Grants and expected family contributions, according to the OCOG website.17

As a result of this structure, OCOG is not available to many low-income Ohio students who would otherwise qualify, including more than 110,000 attending community colleges and regional campuses. Students at Central State receive lower amounts than students at other state schools. On top of that, Ohio allows the aid to be used at expensive, often poor-performing for-profit colleges.18
Affordable higher education is part of what built Ohio’s economy. It is important that Ohio’s college aid system build on this legacy. Increased public support for OCOG and better policies can make the grant more effective. We recommend four changes to improve equity and make the program meet the needs of Ohio’s growing college population.

**Policy Recommendations:**

- Change the state’s definition of “total state cost of attendance” to include all fees, books, housing, food, transportation, child care and other education expenses. The OCOG formula should mirror the federal definition of attendance instead of only considering tuition and general fees.

- Make OCOG a first-dollar grant to ensure all eligible Ohio students receive it. Making OCOG first-dollar means it will be applied to a student’s cost of attendance before all other aid, such as Pell Grants or other scholarships. The cost to expand OCOG to community college students and increase the grant for Central State students is estimated at $106 million a year.

- Increase state support for OCOG to the initially planned $250 million per year and set an inflation adjustment so OCOG keeps pace with rising costs.

- Eliminate OCOG for for-profit institutions. By providing OCOG to students at for-profit colleges, Ohio encourages people to attend, even though for-profit institutions have poor outcomes and engage in predatory practices. In fiscal year 2018, the state sent $3.4 million to for-profit colleges. This money should be invested in more effective public institutions, like community colleges and regional campuses.

Ohio built a world-class system of public colleges and universities, and created financial aid programs to help a previous generation attend. As college becomes increasingly important to finding family-supporting employment and to our economy, we must make sure young people can afford college to build a better future for all of us.
Since 1790, the U.S. Constitution has required the government conduct a count of the entire population every 10 years. From the beginning, the Census has been used as a tool to advantage some groups over others. At that time, the government only counted white, male property owners and any free people living in the home. Until the 1865 passage of the 13th Amendment, the government counted enslaved people as three-fifths of a person. This gave southern states increased congressional representation without extending voting rights to the people who were enslaved and without recognizing Black Americans’ full humanity. The Census didn’t count Native Americans until 1870. It’s precisely because of this history that we must make deliberate efforts to count people who may not otherwise participate. The people in these communities are referred to as our Hard to Count population.19 Because of years of inadequate and delayed funding and the Trump Administration’s failed efforts to add an untested citizenship question to the form, reaching everyone could be even harder.

Ohio has about 140 census tracts where poverty rates are at least 50%. These are concentrated in about a quarter of the state’s 88 counties, mostly in big cities and a few small cities. This is where a full census count is likely to be difficult, in part because of the uncertain scheduling of low-wage jobs, lack of telephone services, and informal housing arrangements of low-wage workers.20

The largest share of Ohio’s funding for health and human service programs comes from the federal government, and Ohio could lose federal funding and congressional representation if state residents are undercounted in the 2020 Census. Undercounting of people is common in hard-to-reach places like rural counties and densely populated central cities, or among people who may be afraid to be counted, like undocumented families, or people who currently have arrest warrants, which are often given for minor violations such as unpaid parking tickets.
Policy Recommendations:

• Ohio lawmakers should appropriate $100,000 for community or church groups in these low-income places, hire outreach staff to find uncounted residents and provide assistance in filling out census forms.

• The funds could be based on two months of work for up to 20 individuals at about $15 per hour.

• The appropriation should flow through the Development Services Agency, and the money given as grants directly to local groups for outreach purposes.
Call to action

“Every man of humane convictions must decide on the protest that best suits his convictions, but we must all protest.”

Martin Luther King, Jr.
Beyond Vietnam

The Center on Budget and Policy Priorities puts it very well: “States and local governments collect roughly one-third of the nation’s taxes, and account for nearly half of all domestic public-sector spending. They also provide over 90% of K-12 school funding and nearly all public college and university funding, own over 90% of the country’s non-defense public infrastructure, roads and other transit systems, water systems, airports, and the like. Given that level of economic power, states could be a potent force for expanding opportunity and enhancing equity. How states choose to raise revenue and how (and where) they choose to spend it has major implications for who moves ahead and who is left behind.”

State policies can, and often do, promote opportunities and enhance equity. However, over the past 15 years, Ohio has cut taxes by $6 billion a year while underinvesting in public services, including public education from preschool through college. This has harmed most Ohioans, especially African Americans.

That’s why Ohio’s policymakers need to address the harm. They can make a good start by ensuring everyone is paid fairly for all the hours they work, everyone has a chance to build wealth, everyone can afford to go to college and everyone is counted.

At Policy Matters Ohio we recognize the harm past and current policies have done to the African American community and aim to push an antiracist policy agenda that focuses on equity for African Americans living and working in our state. We welcome you to join us because we believe in an Ohio for everyone.
Sources


2 Ibid


5 “Ohio Job Outlook, Ohio” Department of Job and Family Services, Labor Market Information, occupational projections to 2026, http://www.ohiolmi.com/proj/OhioJobOutlook.htm

6 Ibid


20. Calculated by Policy Matters Ohio using 2017 American Community Survey Data from the U.S. Census.
