

The Georgia Wealth Gap Rectification Act of 2024

Title:

An Act to Address the Wealth Gap Between Blacks and Whites in Georgia through Housing and Financial Reforms.

Purpose:

The purpose of this legislation is to rectify the historical and ongoing financial disparities between Black and White residents of Georgia, resulting primarily from housing discrimination, redlining, and limited access to credit and capital. By acknowledging past injustices and implementing forward-thinking policy changes, the state of Georgia aims to bridge the wealth gap and promote economic equity for all its citizens.

Section 1: Definitions

1. **Redlining:** The practice of denying services, either directly or through selectively raising prices, to residents of certain areas based on the racial or ethnic composition of those areas.
2. **Seed Capital:** Initial capital used to start a business.
3. **Black-owned banks:** Financial institutions owned primarily by Black entrepreneurs and which predominantly serve members of the Black community.

Section 2: Scope

This bill will address:

1. Housing discrimination practices.
2. Limited access to credit and capital for Black entrepreneurs and homeowners.

Section 3: Provisions

Subsection A: Housing Policies

1. **Integration Encouragement:**
 - Develop and support programs that promote racial integration in housing, ensuring that all communities have access to the resources they need to thrive.
 - Offer incentives for property developers to create mixed-income housing projects.
2. **Homeownership Subsidies:**
 - Establish a state-funded program to provide down-payment assistance to Black families purchasing their first homes in Georgia.
 - Offer property tax incentives for Black homeowners in previously redlined areas.
3. **Counteraction of Historical Redlining:**

- Launch an investigation into the lingering impacts of redlining in Georgia to identify areas still affected.
- Direct investments into infrastructure, schools, and community centers in these identified areas.

Subsection B: Access to Credit and Capital

1. Fair Lending Laws:

- Strengthen the enforcement of existing fair lending laws to prevent discriminatory practices.
- Implement regular audits of lending institutions to ensure compliance.

2. Support for Black-owned Banks:

- Offer tax incentives to Black-owned banks operating within Georgia.
- Facilitate partnerships between Black-owned banks and state financial departments to improve financial services in historically marginalized communities.

3. Seed Capital for Black Entrepreneurs:

- Create a state-funded program that offers grants and low-interest loans to Black entrepreneurs starting businesses in Georgia.
- Offer workshops and training programs on business planning, finance, and management to support Black entrepreneurs.

Section 4: Enforcement

State agencies responsible for housing and finance will be responsible for the enforcement of these provisions. Non-compliance or violation of any provision will result in appropriate penalties, including fines or the revocation of operating licenses.

Section 5: Amendments to Existing Laws

1. Existing housing laws will be amended to incorporate the provisions outlined in Subsection A.
2. Financial regulations will be updated to integrate the policies detailed in Subsection B.

Section 6: Justification

The following works provide a comprehensive understanding and empirical evidence supporting the need for this legislation:

1. *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein.
2. "Racial Disparities in Home Appreciation" by the Center for Responsible Lending.
3. "Credit Where It's Due: Rethinking Financial Citizenship" by Frederick F. Wherry, Kristin S. Seefeldt, and Anthony S. Alvarez.

4. "Racial Gap in Financial Well-Being" by the Consumer Financial Protection Bureau (CFPB).
5. "Bridging the Gap: Credit Scores and Economic Opportunity in Communities of Color in the Deep South" by the Hope Policy Institute.