

<https://www.rollingstone.com/politics/politics-news/kamala-harris-close-racial-homeownership-gap-856142/>

Kamala Harris Proposes \$100 Billion Plan to Close Racial Homeownership Gap

“By taking these challenges on... that not only lifts up black America, that lifts up all of America,” the presidential candidate said in her speech at Essence Festival

[Peter Wade](#) July 6, 2019 4:09PM ET



Democratic presidential candidate Sen. Kamala Harris speaks at the 25th Essence Festival in New Orleans.

Gerald Herbert/AP/Shutterstock

Speaking at the 25th annual Essence Festival, Senator [Kamala Harris](#) announced [her plan to close the racial homeownership gap](#) that has historically prevented minority families from purchasing homes. Harris's proposal would allocate \$100 billion in downpayment and closing-cost assistance to families living in historically red-lined communities, administered through the Department of Housing and Urban Development. That would be enough to help at least four million become homeowners.

“A typical black family has just \$10 of wealth for every \$100 held by a white family,” Harris said. “So we must right that wrong and—after generations of discrimination—give black families a real shot at homeownership—historically one of the most powerful drivers of wealth.”

Investing in homes is one of the best ways to create generational wealth, but home loans have historically been denied to minority families through [racist practices such as redlining](#). Redlining drew boundaries around low-income and majority black communities and designated them as not eligible for federal loan assistance, preventing black families from borrowing money to purchase their own home. It is largely responsible for the racial homeownership gap that currently exists, where 73 percent of white families own their own homes while less than 50 percent of black and Latino families do.

“By taking these challenges on, we can close that gap,” Harris said. “That not only lifts up black America, that lifts up all of America.” Additionally, Harris's plan includes increased funding to provide financial literacy education to first-time homebuyers and would strengthen fair housing enforcement and anti-discrimination lending laws, with the aim of updating the Home Mortgage Disclosure Act to prevent redlining. Harris also wants to amend the Fair Credit Reporting Act to include payment history of rent, utilities, and phone bills in the calculation of credit scores.

But Harris is not stopping at homeownership. She also said that she will soon unveil a plan to help black entrepreneurs and business owners. “We cannot bridge the [racial wealth gap](#) just by addressing historical

inequities, although we must do that, we also have to write the next chapter... In the coming weeks I'll announce new investments to support black entrepreneurs and business owners by increasing access to credit and capital," she said.