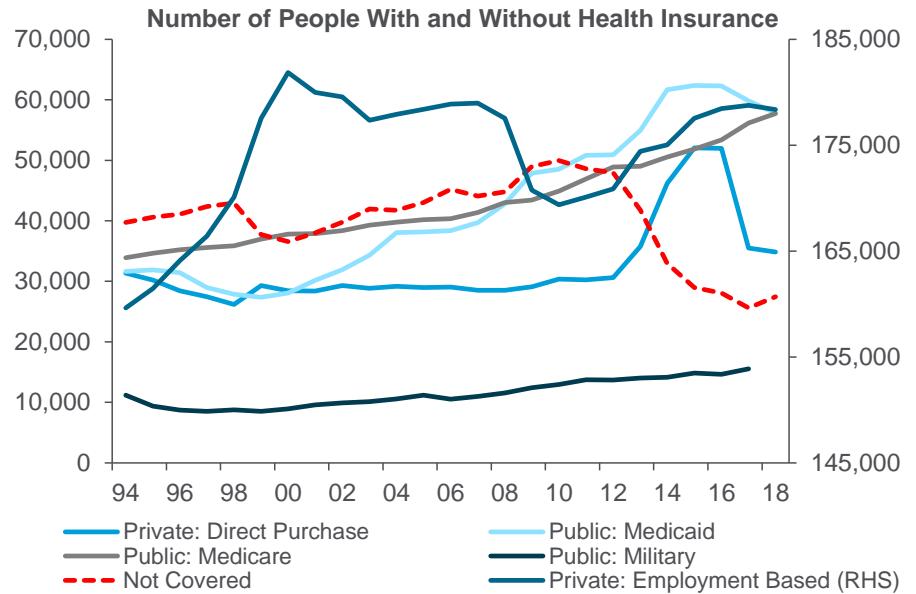


Figure 122. The Majority of U.S. Persons Are Covered by Private-Employed Based Insurance; The Number of Persons in the Private-Direct Purchase Option Has Declined in Recent Years



Note: Some persons may have more than one type of insurance.
Source: Census Bureau, Citi Research

Implement Housing Incentives

Public policy should focus upon housing as a pathway to wealth

Two suggestions proposed for providing affordable housing include: (1) expansion of tax incentives encouraging low-income housing in affluent areas; and (2) low-income community revitalization policies encouraging residential and commercial development in poor and primarily communities of color.⁵⁰ A third avenue for facilitating the path to homeownership for Black families is to close gaps enabling higher earnings and wealth accumulation necessary for home ownership.

Encouraging homeownership is a potential path to intergenerational wealth

Policy reform of established programs to benefit minority groups, might be instrumental in closing equity gaps. One candidate for reform is the Mortgage Interest Deduction program which currently only benefits 6% of Black families. Enhancing the benefit to Black households requires increased homeownership, but the gap in homeownership rates between white and Black families is significant: the Black homeownership rate is at 44 percent vs. white at 70 percent. Affordable also housing remains a challenge in many local regions with large Black populations (Figure 123). Increasing incentives and access to affordable housing is an avenue towards greater homeownership. With a stark deficiency in affordable housing — in no state can a full time employee on \$7.25 afford a two bedroom apartment — progress in this area is of desperate necessity.⁵¹ The American Housing and Economic Mobility Act provides an initial framework with provisions for down payment assistance for first time buyers living in formerly redlined or officially segregated areas.⁵²

⁵⁰ Fulwok III, S., "The United States' History of Segregated Housing Continues to Limit Affordable Housing," Center for American Progress, December 15, 2016.

⁵¹ National Low-Income Housing Coalition. "Out of Reach 2018: The High Cost of Housing." 2018.

⁵² "Warren Unveils Historic Legislation to Confront America's Housing Crisis." Press release. September 26, 2018.