



Date: March 21st, 2023
To: House Committee on Economic Development and Small Business
From: Jennifer Parrish Taylor, Director of Advocacy and Public Policy for the Urban League of Portland
Re: Support for Providing Permanent Revenue Stream to Fund the Economic Equity Investment Program (EEIP), HB 3431

Chair Bynum, Vice Chairs Morgan and Nguyen, and Members of the Committee:

Thank you for the opportunity to provide testimony in support of House Bill 3431. My name is Jennifer Parrish Taylor, and I am submitting this testimony on behalf of the Urban League of Portland. The Urban League of Portland is one of Oregon's oldest civil rights and social service organizations, empowering African-Americans and others to achieve equality in education, employment, health, economic security, and quality of life and to thrive across Oregon and SW Washington.

We were part of the efforts in the short session to ensure the passage of Senate Bill 1579; at the time our coalition had to make concessions over the total amount our fund would receive. And though we were asking for \$50 million, we compromised and accepted \$15. I start with this context because that is what Black communities are often asked to do: compromise. Even if we can't afford to do so. House Bill 3431, which is before you, seeks to address that compromise through ensuring that the Economic Equity Investment Program (EEIP) has reliable and sustained funding. We recognize that there will be some who feel that this funding ask should not be tied to the revenue generated by cannabis; allow me to argue why, in the name of economic justice and reparations, it must be.

In 2014, Oregon moved to legalize marijuana in the state, but even with this legalization, we are still dealing with the effects of the War on marijuana, as Black people in Oregon are still 1.8 times more likely to be arrested compared to their white counterparts.¹ Moreover in its 2020 report, "A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform" the ACLU details how more "than six million arrests occurred between 2010 and 2018, and Black people are still more likely to be arrested for marijuana possession than white people in every state, including those that have legalized marijuana."² Taking current rates of arrests with over four decades of over-policing, discriminatory policies, and the War on Drugs has not only exacerbated the wealth disparities for Oregon's Black, Indigenous, and Latine communities, but has broadened the extreme economic inequality that exists between these communities and their white peers.

To further underscore the disparities in wealth building, "national data on the racial wealth gap clearly demonstrates the disparities in wealth concentrations. In these data, wealth is measured as ownership of certain categories of assets, such as real estate, private businesses, stocks and bonds, pension and retirement entitlements, and other durable assets. In 2019, the difference in median wealth between white and Black families was over \$160,000 and between white and Latinx families was over \$150,000."³ In the Urban League of Portland's State of Black Oregon from 2015, we outline how "poverty has traditionally been calculated by comparing a family's median income with expenditure on essential costs of living, such as housing. Now, with

¹ <https://graphics.aclu.org/marijuana-arrest-report/OR>

² <https://www.aclu.org/report/tale-two-countries-racially-targeted-arrests-era-marijuana-reform>

³ Coalition of Communities of Color's "Addressing the Racial Wealth Gap," Pg. 9.



the rising cost of debt, housing costs, cuts to public assistance, and ballooning childcare expenses, Black families face more roadblocks to wealth creation and pathways out of poverty.”⁴ And while Oregon’s economy has experienced steady improvement, Black unemployment remains more than double that of White Oregonians⁵, and 28 percent of Blacks live in poverty⁶. The income gap between White and Black Oregonians is higher now than it was pre-recession. Oregon faces an imperative to address economic justice with the legalization of cannabis and the booming revenue generating industry it has become in the state. By closing the racial wealth gap through the use of these funds, this would be a root cause solution to pressing concerns facing Oregon.

The Economic Equity Investment Program (EEIP), created in 2022, directed Business Oregon to provide one-time funding to community-based organizations with solutions that build generational wealth for communities experiencing multiple economic risk factors. HB 3431 asks the legislature to make ongoing, holistic investments with cannabis taxes to achieve positive change in the intersecting inequities of poverty and substance abuse. HB 3431 would continue to provide the tools necessary for our communities to be players in this economic endeavor that is America, to have a piece of the dream that is promised to everyone else. Now more than ever, we must strengthen Oregon’s future by investing in historically underserved communities.

Respectfully,

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⁴ <https://ulpdx.org/sites/default/files/2020-03/State-Of-Black-Oregon-2015.pdf>, Pg. 116.

⁵ <https://www.wweek.com/news/2020/07/22/unemployment-rates-were-already-worse-for-black-portlanders-then-the-pandemic-hit/>

⁶ <https://www.ocpp.org/2020/08/07/poverty-oregon/>