

April 14, 2022

The Honorable Mike Quigley
Chairman
House Appropriations Subcommittee on
Financial Services and General Government
2000 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Womack
Ranking Member
House Appropriations Subcommittee on
Financial Services and General Government
2000 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Quigley and Ranking Member Womack:

On behalf of UnidosUS, I write to urge you to advance a FY2023 appropriations package that helps to more fully integrate Latinos into our financial system and advances wealth-building and economic relief for Latino communities.

UnidosUS, previously known as the National Council of La Raza (NCLR), is the nation's largest Hispanic civil rights and advocacy organization which has built a stronger country by creating opportunities for Latinos for more than 50 years. Through its unique combination of expert research, advocacy, programs, and an Affiliate Network of nearly 300 community-based organizations across the U.S. and Puerto Rico, UnidosUS simultaneously challenges the social, economic, and political barriers at the national and local levels.

Latinos today face significant economic challenges that require robust and targeted investments that help build wealth. For over 25 years, for example, the share of Latinos who own a home—the most powerful tool to build wealth and break cycles of poverty—has registered about **25 to 30 percentage points** lower than that of white Americans. Further, during the depths of the COVID-19 pandemic, Latino businesses were less likely to have access to relief programs such as the Paycheck Protection Program (PPP). In states like **California**, **New Jersey**, and **Michigan**, data show that Latino businesses had much more difficulty accessing the PPP compared to white businesses. To advance racial equity, it is critically important for Congress to expand access to financial products for residents and small businesses in low-income communities. This should include:

- **\$500 million for the Community Development Financial Institutions (CDFI) Fund.** This fund promotes access to capital and local economic growth in urban and rural low-income communities across the nation. As private organizations focused primarily on developing communities, CDFIs play a critical role in reaching marginalized groups and ensuring access to financial resources. This role is especially important for Latinos, who—despite being the fastest-growing segment of businessowners—continue to face obstacles to accessing capital.

In addition to experiencing obstacles accessing wealth-building assets, Latinos also face challenges accessing critical relief programs, such as the Child Tax Credit (CTC) and the Earned Income Tax Credit (EITC), which are two of the most effective anti-poverty tools we have as a nation. Data [show](#) that Latino families lag behind other groups when trying to access the CTC, with one recent survey showing that only 64% of Latino tax filers claimed the credit compared to 76% of white and Black parents. In addition, the Federal Reserve Bank of Dallas recently [found](#) that the low take-up rate for the EITC is most prominent among low-income Hispanic workers who are not proficient in English, concluding that greater Hispanic outreach would improve the take-up rate of this credit. To expand access to essential economic relief programs, I urge you to provide:

- **\$3.5 billion for the IRS Taxpayer Assistance Program.** This funding ensures that working families can access critical tax credit programs like the Child Tax Credit, the Earned Income Tax Credit, and several others. It would also support low-income communities through the Volunteer Income Tax Assistance program; increase the number of certified accepted agents who assist with applications for Individual Tax Identification Numbers (ITINs); address systemic barriers faced by low-income communities when accessing the tax system; and allow the IRS to protect taxpayers against fraud through culturally competent education and outreach.
- **\$7 billion for the IRS Operations Support Program.** This funding would help reduce major backlogs in processing tax returns and issuing taxpayer refunds, which harm those struggling during the pandemic. It would streamline the application process for ITINs, which suffers from substantial delays and outdated paperwork requirements. Report language should direct the IRS to use these funds to develop data-sharing arrangements and develop proxy datasets that can measure and predict the impacts of tax credits, including the Child Tax Credit and Earned Income Tax Credit, both for the general population and minorities.

In February, UnidosUS sent a [letter](#) to President Biden urging him to propose a FY2023 budget that reduces racial disparity and advances equity by supporting key economic, health, education, and civil rights funding priorities. While the budget included positive proposals and funding requests, it ultimately fell short on what is needed to advance meaningful equity for Latinos.

I urge you, as leaders of the House Appropriations Subcommittee with jurisdiction over key economic programs, to build on the president's budget by supporting the economic empowerment of Latino communities.

Sincerely,

A handwritten signature in black ink, appearing to read 'ER', with a stylized flourish extending to the right.

Eric Rodriguez
Senior Vice President
Policy and Advocacy
UnidosUS