

116TH CONGRESS
1ST SESSION

H. R. 5360

To require the Board of Governors of the Federal Reserve System to collect more data on race and wealth, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 9, 2019

Mrs. BEATTY introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the Board of Governors of the Federal Reserve System to collect more data on race and wealth, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Closing the Racial
5 Wealth Gap Act of 2019”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that:

8 (1) Between 1983 and 2016, the median Black
9 family saw their wealth drop by more than half after

1 adjusting for inflation, compared to a 33 percent in-
2 crease for the median White household.

3 (2) The Forbes 400 richest Americans own
4 more wealth than all Black households plus a quar-
5 ter of Latinx households.

6 (3) Black families are about 20 times more
7 likely to have zero or negative wealth (37 percent)
8 than they are to have \$1 million or more in assets
9 (1.9 percent).

10 (4) Latinx families are 14 times more likely to
11 have zero or negative wealth (32.8 percent) than
12 they are to reach the millionaire threshold (2.3 per-
13 cent).

14 (5) White families are equally likely to have
15 zero or negative wealth (about 15 percent) as they
16 are to be a millionaire (15 percent).

17 (6) The rate of home ownership for Black fami-
18 lies is the same today in 2019 as it was before pas-
19 sage of the Fair Housing Act of 1968.

20 (7) The racial wealth gap is not an accident or
21 the result of inadvisable financial choices by people
22 of color, rather it is the result of the centuries of
23 policies, programs, Supreme Court decisions and in-
24 stitutional practices that were designed to create
25 barriers or to strip wealth from people of color.

1 (8) Adjustments to Black and Latinx education
2 rates, homeownership, savings and employment do
3 not greatly reduce the racial wealth divide due to the
4 structural underpinnings holding the racial wealth
5 divide in place.

6 (9) To understand and address the racial
7 wealth gap, many experts believe we need federally
8 funded data collection efforts with the ability to
9 disaggregate sample sizes by race, ethnicity, tribal
10 affiliation, and country of birth.

11 (10) Analytical tools like the “Racial Wealth
12 Audit” from the Institute on Assets and Social Pol-
13 icy (IASP) and the “Racial Equity Toolkit” from
14 the Government Alliance on Racial Equity (GARE)
15 are needed to provide a framework to assess how
16 legislation will widen or narrow the racial wealth di-
17 vide.

18 (11) Changes in individual behavior will not
19 close the racial wealth divide, only structural sys-
20 temic policy change.

21 **SEC. 3. DATA COLLECTION ON RACE AND WEALTH.**

22 Section 10 of the Federal Reserve Act (12 U.S.C. 241
23 et seq.) is amended by inserting before paragraph (12) the
24 following:

1 “(11) DATA COLLECTION ON RACE AND
2 WEALTH.—The Board of Governors of the Federal
3 Reserve System shall, in carrying out any Survey of
4 Consumer Finances or Survey of Household Eco-
5 nomics and Decisionmaking, including the collection
6 of localized data, collect information on household
7 assets and debt disaggregated by respondent race,
8 ethnicity, tribal affiliation, and ancestral origin.”.

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