

**To:** Janis Bowdler, Counselor to the Secretary (Racial Equity) and Snider Page, Acting Chief, Office of Diversity, Equity, and Inclusion  
**Fr:** Mayor Michael Nutter, Chair; and Felicia Wong, Vice-Chair, TACRE  
**Re:** TACRE Subcommittee Principles and Priorities  
**Dt:** April 4, 2023

Please find below a compiled list of priorities from the TACRE Subcommittees, as well as action recommendations from the Data and Research Subcommittee and cross-cutting principles for all of TACRE's priority work. We do anticipate re-examining these after six months of work and research. Thank you for the opportunity to serve.

### **Cross-Cutting Principles**

Throughout all of the TACRE priority work, subcommittees will seek to emphasize the following cross-cutting principles:

- Equitable data management
- Clarity on what Treasury itself can do, and what it can catalyze elsewhere in the public or private sectors
- The accessibility of programs and a focus on community outreach
- A focus on both place-based outcomes, and outcomes for individuals and families within communities

### **IRA Implementation (5 priorities)**

- Advise the Treasury Department on the data collection practices and metrics for accountability related to the IRA tax credits that will best support the equitable implementation of the Inflation Reduction Act. Relevant metrics might include, for example, population uptake and utilization of benefits, infrastructure support, and audit disparities reporting. Note that this is important given OMB's obligation, as mandated by the IRA, to track the use of IRA dollars by agency on the basis of labor, equity, and environmental standards.
- Provide advice to the Treasury Department regarding its plan to modernize and transform the IRS. TACRE will identify and recommend both short-term and longer-term changes, with the aim of ensuring that all Americans receive the benefits for which they are eligible.
- Provide recommendations to the Treasury Department on the policy design of its tax provisions in IRA, especially the place-based provisions (such as the 48(e) program) so that they best achieve equitable outcomes, and so that communities and individuals on the ground directly benefit from them.
- Provide guidance to the Treasury Department on how it can use its authority and tools to protect communities and consumers from predatory activity and actors.

- Work with the Treasury Department to develop outreach efforts that will engage diverse communities in accessing new programs, address implementation barriers, and inform new stakeholders about the Treasury's transformational vision for the IRS.

### **Financial Health Inclusion & Access to Capital (3 priorities)**

- Provide recommendations to the Treasury Department on reporting requirements and incentive programs targeted at nonprofits and for-profit entities that can best promote diversity of their workforce, board, investment managers and brokerage firms, and suppliers. This is important given Treasury's oversight of financial institutions, and its obligation to ensure the responsible use of taxpayer dollars for all Americans.
- Provide guidance and recommended steps for the Treasury Department, such that it can help ensure that individuals from all backgrounds, including those with language and other barriers, are able to access capital and financial inclusion programs. TACRE will also work with the Treasury Department to identify ways to strengthen BIPOC led community institutions (including CDFIs, MDIs, other recipients), with a proven focus and track record of reach, trust, and impact in underserved target markets. This is important given Treasury's mandate to serve the entire American public, and the President's recent Racial Equity Executive Orders and AANHPI whole-of-government strategy.
- Advise Treasury on improved demographic disaggregated data collection and analysis practices that will provide increased transparency, and stronger baseline evidence to support inclusive policy making and program implementation; and allow a range of community-serving institutions to work with Treasury on the improved design and delivery of capital access programs and services.

### **Internal Staffing & Culture (4 priorities)**

- TACRE will offer recommendations to the Treasury Department on the steps it can take to create a more inclusive culture, including the various resources and assessment tools helpful in benchmarking and evaluating its current approach.
- TACRE will provide advice for how the Treasury Department can implement best practice employment transactions. This will include recommendations on which current pathways and professional development opportunities available at Treasury should be reviewed, including opportunities for Senior Executive Service (SES).
- Resources must be committed for internal change within the Department. TACRE will provide advice and recommendations on steps the Treasury can take to review current practices and to commit resources that ensure appropriate levels of investment are made to effectively implement internal changes.
- TACRE will provide advice and recommendations on steps the Treasury can take to further its efforts to implement equitable procurement practices. This advice could be

based on a review of data on purchasing by industries and geography; subcontracting opportunities; other federal agencies' investments in OMWI (Office of Minority and Women Inclusion); and outreach practices to all small businesses.

#### **Data and Research (2 action recommendations)**

- Conduct Distributional Analyses in the Greenbook: In addition to aggregate revenue impacts, the administration should publish analyses of how revenues proposals would differentially affect households of different race and income levels.
- Prioritize Changes to IRS Regulations to Facilitate Additional Sharing of IRS Data with Census: Census has already asked for IRS to share additional data and variables; these variables would be crucial for expanding our ability to assess racial disparities and how policies affect them. This process requires considerable administrative steps, including a revision to IRS regulations. Treasury should prioritize whatever actions are necessary to ensure that these data are transferred as soon as possible.