



Washington State  
Department of  
**Commerce**

**We strengthen communities**

## Community Reinvestment Plan

In 2022, the Legislature created the Community Reinvestment Account, setting aside \$200 million to address racial, economic, and social disparities in Washington communities disproportionately harmed by the historical design and enforcement of state and federal criminal laws and penalties for drug possession (the war on drugs).

In the last 40 years, the number of people convicted of drug related crimes rose more than 500%. Mass incarceration separated and continues to separate families, just as criminal records and legal financial obligations exacerbate economic disparities and challenges associated with access to housing, employment, education, health care and other fundamental pillars that create wealth and family stability. The Community Reinvestment funds will begin to address these racial, economic, and social disparities

The government-created laws and sanctions for drug offenses unjustly targeted specific communities and individuals in America. In Washington, the disparate impact was on Black, Indigenous, and Latino neighborhoods and people.

**Scan here to visit the  
Community Reinvestment  
Project webpage**



**Or visit our webpage**  
<https://www.commerce.wa.gov/crp>  
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**COMMUNITY SERVICES  
DIVISION**

## Overview/Historical

**1971:** President Nixon [officially declared a war on drugs](#), announcing that drug abuse was now “public enemy number one.” Nixon proposed strict measures for drug-related crimes, including mandatory minimum sentences for both drug possession and distribution and founded the Drug Enforcement Agency, a special police force designed to target illegal drug use and smuggling in the U.S.

**1986:** Under the Regan Administration, Congress passed the Anti-Drug Abuse Act allocating \$1.7 billion to enforce the drug laws and increasing sentences for possession of certain types of drugs but not others.

**1994:** Under the Clinton administration, Congress adopted the Violence Crime Control and Law Enforcement Act, a \$30 billion bill that funded 125,000 new state prison cells, mandated life sentences via three strikes laws, and added 60 new crimes subject to the death penalty

### Guiding Values:

- We act with honesty, openness and integrity.
- We are committed to actively listening to and co-creating with community.
- We work to earn trust in relationships.
- We recognize and seek to redress the racial, economic, and social impact of the war on drugs nationally and locally.<sup>1</sup>

## Organizations

Given the disparities caused by the war on drugs, in developing and implementing the Community Reinvestment Plan, priority will be given to Black, Indigenous, and Latino By and For organizations.

### By and For Organizations

- Be part of, rooted in, and defined by the identity of the Black, Indigenous, and Latino community.
- Have leadership and staff who belong to the Black, Indigenous, and Latino community.
- Build trust, advocate, respond, and solve problems specific to community members.
- Have roots in their communities as change agents and providers of mitigating systems of community service.
- Invest in and work with community members to improve their quality of life.

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<sup>1</sup> Full Frame Initiative, “Community Bill of Rights,” (2022), <https://www.fullframeinitiative.org/resources/the-community-bill-of-rights/>

## Community Reinvestment Plan Recommendations

**Programmatically, the Community Reinvestment Plan recommends the distribution of funding to 17 grant programs in the four program areas as follows:**

Economic development:

**\$138 million**

Civil and criminal legal assistance: **\$8 million**

Community-based violence intervention and prevention services: **\$30 million**

Reentry services: **\$12 million**

**Subject matter experts will manage the grant programs across several Commerce units and divisions and in other state agencies.**

### Geographic considerations

Proportionate to the amount of harm, grant programs will distribute roughly 64% of funds to six counties: Clark, King, Pierce, Snohomish, Spokane and Yakima. The remainder of the investment will support the other counties across the state.



## Economic Development \$138 million

### **Loan Guarantee Fund - \$17 million**

Provides funding and loan loss reserve to lenders across the state who offer financing and financial services to underserved communities traditional banks overlook.

### **Black, Latino and Indigenous-Led Lending Agency Support - \$15 million**

Supports existing and emerging Black, Latino and Indigenous-led lenders, who are or not currently Community Development Financial Institutions (CDFIs) by providing grants for lending capital as well as capital for operations and salaries

### **Homeownership Capital Accelerator - \$15 million**

Provides loan capital to lending agencies for increased leverage to help reduce the buyer's monthly mortgage payment and/ or increase purchasing power.

### **Individual Development Accounts - \$25 million**

Aims to help Black, Latino, and Indigenous communities save for specific assets, such as education, housing, or starting/growing a business.

### **Blended Capital Enhancements - \$25 million**

Assists beneficiaries in acquiring or securing assets through loans, matched savings, and asset journey acquisition enhancement.

### **Cannabis Business Grants - \$3 million**

Provides funding to groups of organizations and individuals that come together to promote and advance policies and programs.

### **Asset Building Initiatives - \$3 million**

Provides funding to groups of organizations and individuals that come together to promote and advance policies and programs.

### **Financial Coaching and Mentorship - \$10 million**

Program aims to help individuals and families build a financially stable future while honoring their cultural backgrounds. Participants will receive trauma-informed financial coaching, business coaching, and homebuyer education.

### **EcSA Career Accelerator Incentives - \$10 million**

Supports individuals as they work towards economic security and stability.

### **EcSA Business Support - \$15 million**

Aims to support Black, Indigenous, and Latino businesses participating in the Workforce Innovations and Opportunity ACT while also helping job seekers acquire the necessary skills and experience to secure long-term employment.



## Community-Based Violence Intervention and Prevention - \$30 million

### Violence Reduction - \$10 million

Provides capacity building and technical support to existing OFSVP funding programs addressing the prevention and intervention of firearm violence.

### Community Healer - \$10 million

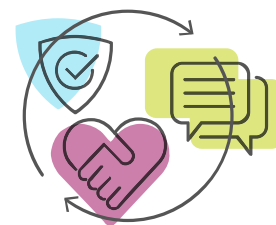
Provides a culturally responsive program to addresses the unique cultural and social needs of a specific community.

### Youth Sports Capacity Building - \$5 million

Provides funding for community sports and activities, supporting compensation for coaches, training for volunteers, and facilitating the removal of barriers to youth participation.

### Barber/ Beauty Shop Health Navigation - \$5 million

Provides outreach and paid training to, and certification of, barbers and beauty shop operators to deliver life coaching, violence prevention, mental health, and mentorship to customers, addressing the need for community-based support and resources.



## Reentry Services - \$12 million

### Expand Reentry Program - \$12 million

Expands the existing Reentry Grant Program that provides reentry services to justice-involved individuals who have recently exited or are in the process of exiting incarceration.



## Civil and Criminal Legal Assistance - \$8 million

### Vacating Criminal Records and LFO Relief - \$2 million

Provides outreach and education to support the vacating of criminal records and legal financial obligations relief.

### Legal Representation - \$6 million

Aims to address the needs of Black, Indigenous and Latino individuals impacted by the criminal justice system in disproportionately affected neighborhoods in Tacoma and Seattle.



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The Department of Commerce Community Reinvestment Plan is in partnership with:

