



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, Latino and Indigenous neighborhoods and people.

Scan here to visit the
Community Reinvestment
Project webpage



Or visit our webpage
<https://www.commerce.wa.gov/programs/research-services/community-reinvestment-account-plan-development/> and sign up for our mailing list.

**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.

Organizations

To assist in distribution of benefits and services, the Community Reinvestment Plan prioritizes non-profit, faith-based and grassroots organizations and particularly organizations led by and serving Black, Latino and Indigenous communities and individuals harmed by the war on drugs.

By and For Organizations

- Leadership and staff belong to the same community they serve, promote, and work to preserve.
- Build trust, advocate, respond, and solve problem specific to community members.
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- 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.

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 be 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.

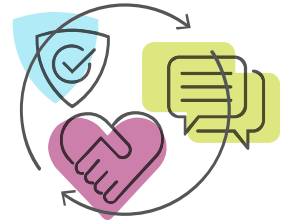
EcSA Business Support - \$15 million

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 address 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.

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

