

April 16, 2021

The Honorable Joseph R. Biden, Jr.
The White House
Office of the President
1600 Pennsylvania Avenue, NW
Washington, DC 20500

The Honorable Kamala D. Harris
The White House
Office of the Vice President
1600 Pennsylvania Ave, NW
Washington, DC 20500

Dear President Biden and Vice President Harris:

As child and family advocates, we applaud and thank you for your leadership on the American Rescue Plan (ARP), hallmark legislation that will reduce child poverty by more than 50% this year and pave the way to “build back better” so that our recovery ensures those most in need are not left further behind. We are writing to express our support for outstanding improvements to three tax provisions in the ARP: the Child Tax Credit (CTC), the Earned Income Tax Credit (EITC), and the Child and Dependent Care Tax Credit (CDCTC). In particular, the expansion and strengthening of the CTC is a critically important component of the bill’s child poverty reduction. These structural changes are especially important for low-income families and begin to address some of the racial inequities in our tax code. We urge you to make these changes permanent as you develop recovery plans with the goal of creating a robust child benefit program that reflects provisions in the American Family Act of 2021.

We also support making permanent the improvements to the EITC and CDCTC. [According to the Center on Budget and Policy Priorities](#), the existing EITC leaves short low-income, young adult workers who do not have a minor child at home because the credit is less than their payroll taxes. The ARP will help both childless workers and other young adults by providing greater access to a more generous EITC through increasing its value, expanding access to include young adults over 19, and lowering the age of eligibility to 18 for former foster youth and homeless youth. The ARP also makes the EITC available to parents who have proper identification but do not qualify for the credit because their child does not meet identification requirements; under the ARP, these individuals will now be able to claim the childless taxpayers’ credit to help meet basic needs. In addition, the ARP would make the CDCTC refundable for the first time and significantly increase its value and accessibility, which will complement the much-needed increase in direct spending for child care. Together, making these changes permanent will help support overlooked populations, including homeless youth, youth aging out of the foster care system, and immigrant children, and create a more fair and equitable tax code to support and protect the well-being of all children and struggling families across the country during this crisis, our recovery, and beyond.

No child in the world’s wealthiest country should live in poverty. Even before the pandemic, child poverty was stubbornly high, and 2.5 million children have fallen into poverty since May. We continue to have higher rates of child poverty than many of our peer countries, **and due to systemic racism and discrimination ingrained in our country’s institutions, children of color continue to experience rates of poverty three times that of white children**. According to the

landmark 2019 National Academies of Science, Engineering, and Medicine (NASEM) study, *A Roadmap to Reduce Child Poverty*, poverty itself causes negative child outcomes, especially when it starts in early childhood or persists through the early part of the child's life. A child who grows up in poverty is far less likely to perform as well as their classmates in school, more likely to experience negative physical and mental health consequences, more likely to have food insecurity, more vulnerable to homelessness, and more likely to be subjected to violence, abuse, and neglect. The NASEM study also found that child poverty costs the economy about \$1 trillion annually. Fortunately, we know how to tackle child poverty; the NASEM report points to a child allowance program as the most effective policy change to cut child poverty in half over the next decade, and the ARP marches us toward that long-overdue goal.

Strengthening the CTC and converting it into a permanent, monthly child allowance program would ensure that parents have the vital resources to meet current challenges during this economic downturn as well as the increasing costs associated with raising children and supporting their healthy development. Payments delivered regularly each month, rather than a lump sum payment when income tax returns are filed, provide some financial stability to households with children and help boost the local economy. Regular delivery of assistance also offers a ready mechanism to adjust benefit levels as needed -- for example, to increase payments during times of economic crisis. As you design and implement the CTC expansion, we urge you to protect lower- and middle-income children, parents, and families from overpayments and hold them harmless when household circumstances change. Living arrangements for children can be complex, and a permanent child benefit program needs to accommodate such circumstances and ensure the payments follow the child through diverse and dynamic family and nonrelative caregiving and their involvement with foster care or other public systems. To ensure a child benefit program is managed efficiently and fairly, additional resources should be available for the agencies involved in the design and administration of the program.

We cannot overstate the significance of making the ARP's CTC advancements permanent and strongly urge you to prioritize this policy objective. Major highlights of the ARP's CTC provision and additional issues to address to create a robust child benefit program include:

- Making the credit fully refundable and maintaining its increase (to at least \$3,000 per child per year),
- Solidifying a more generous young child tax credit (at least \$3,600 per child per year),
- Expanding the qualifying child rules,
- Designating 17-year-olds as "qualifying children,"
- Ensuring all children, regardless of immigration status, receive the benefit,
- Guaranteeing equity for children in U.S. territories,
- Making advanced payments on a monthly basis,
- Designing a program that is accessible to all children, especially those in complex living arrangements, involved with foster care or other public systems, unbanked and/or not connected to the tax code so the benefit follows the child, and
- Protecting families from surprise tax bills and the credit from garnishment.

These structural changes are needed not only to mitigate the harm caused by the pandemic, but also to address our consistently high level of child poverty, reduce racial disparities, and create a lasting and shared recovery.

Estimates show that the CTC enhancements alone will reduce child poverty by almost 45% this year, lifting roughly 4 million children above the poverty line in 2021. These modifications to the CTC not only have a significant impact on removing children from poverty – they would move 1.1 million kids closer to the poverty line, or out of deep poverty, according to [the Center on Budget and Policy Priorities](#) – but also such permanent improvements would address the racial inequities in the program. Under the ARP, children in lower-income households or those lacking income would be eligible for the benefit. Prior to the ARP, about one-third of children did not qualify for the full credit because their parents earn too little, and disproportionately this leaves behind Black and brown children. The expanded CTC will lift 52% of Black children, 61% of Native American children, and 45% of Hispanic children above poverty.

In addition to the immense child poverty benefits and racial equity improvements, CTC expansion has a tremendous return on investment. According to [researchers at the Center on Poverty and Social Policy at Columbia University](#), a \$100 billion investment in the CTC would produce \$800 billion in societal benefits -- a return of 8:1.

For more than half a century, we have failed to address child poverty in this country and make adequate investments in our children's well-being. With the enactment of the ARP, we are righting our course. We thank you for your bold leadership to address child poverty and implement significant and transformational tax policy changes to benefit children and families who most need support. The moral crisis of child poverty existed long before COVID-19 and its resulting economic emergency. We now face a remarkable opportunity to prioritize lasting policy decisions that we know will result in near- and long-term positive outcomes for our children's healthy development, leading to a brighter and more prosperous future for them, our communities, and our society as we build back better.

Sincerely

National Organizations

First Focus Campaign for Children
Abriendo Puertas/Opening Doors
African American Health Alliance
AIDS Alliance for Women, Infants, Children,
Youth & Families
All Our Kin
American Academy of Pediatrics
American Federation of Teachers

Association of Children's Residential
Centers (ACRC)
Autistic Self Advocacy Network
Center for Law and Social Policy (CLASP)
Center for Science in the Public Interest
Child Care Aware® of America
Child Labor Coalition
Child Trends

Child Welfare League of America
Children's Health Fund
Children's HealthWatch
Children's Hospital of Philadelphia
Children's Rights
Children's Health Fund
Children's Law Center
Coalition on Human Needs
Comic Relief US
Communities In Schools
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces
Early Care and Education Consortium
Earth Evolution
Families USA
Family Centered Treatment Foundation
Family Promise
First Five Years Fund
Futures Without Violence
Global Alliance for Behavioral Health and Social Justice
Green & Healthy Homes Initiative, Inc
HEAR US Inc.
Holy Spirit Missionary Sister, USA-JPIC
IDRA (Intercultural Development Research Association)
Institute For Child Success
Judge Baker Children's Center
Jumpstart
Juvneile Law Center
Kids in Need of Defense (KIND)
Leading for Kids
Me, Myself and I
MENTOR National
Mom Congress
MomsRising
National Advocacy Center of the Sisters of the Good Shepherd
National Association for Bilingual Education
National Association for Family, School, and Community Engagement
National Association for the Education of Young Children
National Association of Counsel for Children

National Association of Pediatric Nurse Practitioners
National Association of School Nurses
National Association of Social Workers
National Black Child Development Institute
National Center for Children in Poverty, Bank Street Graduate School of Education
National Child Abuse Coalition
National Child Care Association
National Children's Campaign
National Coalition for the Homeless
National Community Action Partnership
National Council of Jewish Women
National Crittenton
National Diaper Bank Network
National Early Childhood Program Accreditation
National Family Support Network
National Healthy Start Association
National Indian Child Welfare Association
National Network for Youth
National Network to End Domestic Violence
National Prevention Science Coalition to Improve Lives
National Resource Center on Domestic Violence
National Respite Coalition
National WIC Association
Nemours Children's Health System
NETWORK Lobby for Catholic Social Justice
Non Profit Evolution
Partners for Education at Berea College
Partnership for America's Children
Prevent Blindness
Prevent Child Abuse America
Prosperity Now
Provincial Council Clerics of St. Viator
Public Advocacy for Kids (PAK)
RESULTS
Rural School and Community Trust
Save the Children Action Network
School-Based Health Alliance
SchoolHouse Connection
Share Our Strength

Shriver Center on Poverty Law
Strategies for Youth
Together for Girls
United Way Worldwide

Voice for Adoption
YMCA of the USA
Youth First Initiative
ZERO TO THREE

State/Local Organizations

Alabama

Alabama Chapter American Academy of Pediatrics

Arizona

Arizona Chapter of the American Academy of Pediatrics
Arizona Council of Human Service Providers
Child and Family Resources, Inc
Children's Action Alliance Arizona

California

African American Wellness Center for Children & Families
American Academy of Pediatrics - Orange County Chapter
American Academy of Pediatrics, CA Chapter 3
American Academy of Pediatrics, California
American Academy of Pediatrics, California Chapter 2
Bill Wilson Center
California Chapter 1, American Academy of Pediatrics
Children Now
Children's Partnership
Drew Child Development Corporation
First 5 Association of California
First 5 California
First 5 Kern
I AM...Curriculum and Course
John Burton Advocates for Youth

Colorado

AAP Colorado
Colorado Children's Campaign
Early Childhood Partnership of Adams County
Parent Possible

Connecticut

Angel Wings Daycare
CAST Preschool and Childcare Center
CERCLE
Connecticut Chapter of the American Academy of Pediatrics
Connecticut Voices for Children
CT Early Childhood Alliance
East Hartford CONNects, a Working Cities Initiative
Hamden Adult Education
Jack's Playhouse
Lighthouse Childcare Center
Little Munchkin Day Care
Mishkan Israel Nursery School
National Association of Social Workers Connecticut Chapter
Riverfront Children's Center, Inc.
Saugatuck Outreach Nutrition Program
St. Paul's Child Development Center
Westville Community Nursery School, Inc.

District of Columbia

D.C. Chapter of the American Academy of Pediatrics
Greater DC Diaper Bank
RESULTS DC/MD

Florida

Children's Campaign
Florida Chapter of the American Academy
of Pediatrics

Georgia

CHRIS 180

Hawaii

American Academy of Pediatrics, Hawaii
Chapter
Hawai'i Children's Action Network Speaks!

Iowa

Common Good Iowa

Illinois

Illinois Action for Children
Illinois Chapter, American Academy of
Pediatrics
United Way of Lake County

Indiana

MCCOY (Marion County Commission on
Youth, Inc.)
Villages of Indiana

Kansas

Kansas Chapter, American Academy of
Pediatrics

Kentucky

The Women's Network

Louisiana

Kingsley House
Louisiana Chapter of the American
Academy of Pediatrics

Maryland

Maryland Chapter, American Academy of
Pediatrics
MSFCCA
Public Justice Center

Maine

Maine Chapter AAP
Maine Children's Alliance
Opportunity Entrprises Incorporated

Massachusetts

Boston University School of Social Work

Michigan

Michigan League for Public Policy

Minnesota

Minnesota Chapter of the American
Academy of Pediatrics

Missouri

American Academy of Pediatrics, Missouri
Chapter
HappyBottoms
Kids Win Missouri
Missouri Budget Project

Mississippi

Mississippi Chapter American Academy of
Pediatrics

Montana

Montana Chapter, American Academy of
Pediatrics

North Carolina

Babies Need Bottoms Diaper Bank
Child Care Services Association
Interfaith Initiative for Social Justice
NC Child
NC Pediatric Society
Wayne Initiative for School Health

Nebraska

Nebraska Appleseed
Nebraska Chapter of the American
Academy of Pediatrics
Voices for Children in Nebraska

New Hampshire

Kids First Consulting, LLC
NH Chapter of the AAP

New Jersey

Advocates for Children of New Jersey
Advocates for Children of NJ
embrella. Embracing & Empowering
Families

New Mexico

Health Action New Mexico
New Mexico Pediatric Society
New Mexico Voices for Children

Nevada

Children's Advocacy Alliance

New York

AAP, New York Chapter 2
AAP, NY Chapter 3
AAP, NYS
AAP, NYS Chapter 1
ACCESS of WNY
Children's Agenda
Children's Aid
MercyFirst
Rural Schools Assn of NYS
Schuyler Center for Analysis and Advocacy
Sisters of St. Dominic of Blauvelt, New York
Westchester Children's Association
YWCA-GCR, inc.

Ohio

Ohio AAP
Ohio Council of Churches
SEM Food Pantry

Oklahoma

Cultivate Hope Advocacy
Oklahoma Chapter - American Academy of
Pediatrics

Oregon

Oregon Pediatric Society

Pennsylvania

CHOP PolicyLab
Grands As Parents, Inc.
HIAS Pennsylvania
PA Chapter, American Academy of
Pediatrics
Pennsylvania Association for the Education
of Young Children
Pennsylvania Council of Churches
Sisters of Saint Joseph of Chestnut Hill,
Philadelphia PA

Puerto Rico

Youth Development Institute

Rhode Island

Rhode Island Chapter, American Academy
of Pediatrics
Rhode Island KIDS COUNT

South Carolina

SC Appleseed Legal Justice Center
SC Chapter of the American Academy of
Pediatrics

Tennessee

TNAAP

Texas

Texans Care for Children
Texas Diaper Bank
Texas Kids Can't Wait
Texas Pediatric Society, Texas Chapter of
the AAP

Utah

Voices for Utah Children

Virginia

Rappahannock United Way
Virginia Chapter, American Academy of
Pediatrics
Virginia Poverty Law Center
Voices for Virginia's Children

Vermont

American Academy of Pediatrics Vermont
Chapter

Washington

Diaper Bank of Skagit County
Michelle Merriweather
Northwest Harvest
OneAmerica
Partners for Our Children at the University
of Washington Seattle
Solid Ground Washington
Statewide Poverty Action Network
Tacoma Urban League
Urban League of Metropolitan Seattle
Ventures
Washington State Association of Head Start
And ECEAP
WCAAP

Wisconsin

Wisconsin Chapter of the American
Academy of Pediatrics
Wisconsin Council of Churches

cc: House and Senate Congressional Leadership