

# THE CHILDREN'S BUDGET COALITION

## INVESTING IN THEIR FUTURE

May 19, 2023

The Honorable Charles Schumer  
United States Senate  
Washington, DC 20510

The Honorable Mitch McConnell  
United States Senate  
Washington, DC 20510

The Honorable Kevin McCarthy  
United States House of Representatives  
Washington, DC 20515

The Honorable Hakeem Jeffries  
United States House of Representatives  
Washington, DC 20515

Dear Speaker McCarthy, Minority Leader Jeffries, Majority Leader Schumer, and Minority Leader McConnell:

As members and advocacy partners of the Children's Budget Coalition, we the undersigned groups are gravely concerned by the U.S. House of Representatives' passage of H.R. 2811. The bill uses the full faith and credit of the United States as a bargaining chip for extremely harmful spending cuts and programmatic changes that target federal resources for children, families, and those most in need across the country. H.R. 2811 would negatively impact our children's daily lives, healthy development, and safety, and increase hardship for millions of families while proposing less than a year of protection from devastating debt default. We strongly urge you to prioritize the health, safety, protection, and well-being of all our nation's children during the upcoming momentous budget decisions. Specifically, we request that you:

- Prioritize resources for children in budget and appropriations decisions,
- Pass a clean debt limit bill without delay,
- Engage in separate negotiations for the FY2024 appropriations process and reject budget caps for critical programs supporting our nation's children and struggling families,
- Increase the 302(b) allocations for subcommittees with primary jurisdiction over programs and services benefitting children and families,
- Protect mandatory programs that invest in children and families, including TANF, SNAP and Medicaid, and
- Provide a comprehensive budget that clearly presents all funding and revenue raising priorities.

No child deserves to grow up in poverty, rather every child should have a fair chance to thrive. A wide range of federal programs and services work together to support our nation's children, but additional investments are needed to meet their unique and growing needs. The health and well-being of our children was in crisis long before COVID-19 shocked the country's health and economy. Children make up approximately one-quarter of the U.S. population, but First Focus on Children's annual [Children's Budget](#) illustrates they historically have not received anywhere close to their fair share of government funds, dismissing evidence that investing in children results in near and long-term positive outcomes for them and benefits the country's overall economy –

[there is an estimated savings of \\$7 for every \\$1 dollar spent on reducing childhood poverty.](#)

Fueled largely by the pandemic-related funding, the share of federal spending on children increased to 11.98% in FY2022 -- an unprecedented level of investment -- up from a record low of 7.55% in FY2020. Early analysis shows that investments in children are estimated to decline in FY2023 despite efforts by our congressional champions and [an overwhelming need for support in all aspects of their lives.](#)

Historically, the United States has had a higher rate of child poverty than other wealthy nations because we have failed to invest in our children even though American voters understand the importance of these investments. [In a May 2022 poll by Lake Research Partners](#), by a 90-8% margin, voters believe that “investing in children helps improve their lives, development and outcomes.” Moreover, by an 89-7% margin, voters believe “investing in children has a large return in a healthy society and healthy economy.”

We have seen the game-changing, positive outcomes stemming from increased resources dedicated to children and families. Investments to expand the Child Tax Credit and nutrition benefits, boost child care funding, increase education and housing supports, and more drove a 46% reduction in child poverty in 2021 – the largest year-to-year reduction on record of child poverty -- and led to remarkable declines in child hunger, and decreased the rate of children without health insurance. The pandemic is receding, but the emergency of our children’s well-being is not, and we ask you to reject proposals that would increase poverty and take away food assistance, healthcare, and income support from children, youth, low-income families, other vulnerable communities, and those facing the greatest barriers to economic mobility.

Programs and services supporting and protecting our children are disproportionately discretionary, and H.R. 2811 aims to significantly decrease non-defense discretionary (NDD) funding by 22% or more in the first year and limit spending each year for the next decade at a time when costs of everyday necessities are rising. [According to USDA’s Economic Research Service](#), at-home food costs rose 10.2% from 2022-2023. [Median household rent increased 15% from 2021 to 2022 in the United States](#) and that increase was even higher in many metro areas with median national asking rent surpassing \$2,000 per month. [The cost of child care for a family with two children in a center](#) was more than annual mortgage payments in 41 states and the District of Columbia, and the cost of child care for an infant in a center was more than in-state tuition at a public university in 32 states and the District of Columbia. Furthermore, if defense and veterans’ health programs are protected as pledged by many lawmakers, [other non-defense discretionary programs could be slashed by nearly 60% at the end of ten years, further threatening the well-being of our children.](#)

At the same time, H.R. 2811 fails to include tax-related priorities that have serious impacts on the government’s ability to raise revenue, leaving in place the 2017 tax breaks for profitable corporations and the wealthiest that are a [major driver of our national debt](#). A fairer tax code would mean greater revenue to make the much-needed investments in our children. This proposal would not support future generations, as some have stated, and instead would reverse progress made in recent years to invest in our children and undermine programs such as the

Supplemental Nutrition Assistance Program (SNAP), Medicaid, and the Temporary Assistance for Needy Families (TANF) – [more than 70% of TANF recipients are children and it is estimated that close to 1 million children could be at risk of losing TANF assistance under provisions in H.R. 2811](#). These supports combined with numerous NDD programs are critical to children's well-being today and in the future. Our children and grandchildren should not bear the brunt of significant decreases in federal resources that will negatively affect their holistic development and effectively place a cap on our kids' potential.

**Provided by federal agencies, below are examples of the harmful impacts the proposed cuts to NDD would have on kids across an array of support programs:**

**1. Hunger:** If levels are cut back to FY 2022 enacted, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) would lose as much as \$1.4 billion. [The program, projected to serve 6.5 million mothers and children in FY 2024, will be forced to waitlist participants, cutting nearly 250,000 off from benefits](#). Deeper cuts would only allow the program to support about 5.07 million moms and babies — about 1.2 million fewer than the FY22 monthly average. In addition, with the end of the public health emergency, an estimated 17 million SNAP households are already [losing nearly \\$100 per month](#). The proposed work requirements in H.R. 2811 could put roughly an additional [one million people](#), including youth aging out of foster care and unaccompanied homeless youth over the age of 18, at risk of losing their SNAP benefits.

**2. Housing:** A return to FY 2022 enacted levels would cut the Department of Agriculture's rental assistance program by \$325 million. The Rental Assistance Program helps eligible low-income tenants in USDA-financed multi-family housing pay no more than 30% of their incomes for rent and currently serves approximately 288,000 tenants. [The House leadership's planned reduction would cause between 40,000 and 63,000 current recipients to lose rental assistance](#). The average annual income of families and individuals receiving rental assistance (generally female-headed households, elderly, and the disabled) is approximately \$12,501.

**3. Energy:** These cuts would also [reduce benefits under the Low Income Home Energy Assistance Program \(LIHEAP\) from \\$529 to \\$501](#) (just over half the amount needed to heat the average home with natural gas and less than 25% of the amount needed to heat the average home with heating oil). [Nearly 260,000 households would lose benefits](#), leaving these households dangerously unable to heat their homes.

**4. Education:** A reduction to the FY 2022 enacted level would cut funding from multiple programs. Low-income students and students with disabilities [would lose 13,000 teachers](#). Deeper cuts would remove as many as 60,000 teachers from classrooms.

**5. Child Care and Early Education:** Young children would take a huge hit under these cuts. A 22% funding reduction would mean roughly [200,000 Head Start slots would disappear](#), disadvantaging low-income kids. [Roughly 180,000 child care slots would also vanish](#), adding to the nation's child care crisis and preventing these parents from participating in the workforce.

**6. Rural Health Care:** A 22% reduction in the discretionary Health Center Program appropriation would cut off access to health centers and their critical health care for an estimated 2 million of the nation’s most vulnerable individuals and families. [The Health Resources and Services Administration’s health centers provide care to one in three people living in poverty and one in five rural residents.](#)

**7. Mental Health:** Sharp reductions in funding would cut responses by the 988 Suicide Crisis Lifeline, [stranding nearly 1 million people in the midst of a suicide, mental health, or substance use crisis.](#)

**8. Youth Justice:** Rolling funding back to FY 2022 enacted levels would [hinder reforms to the youth justice system, dropping awards to states and localities by roughly 35%](#) and endangering progress on programs that have been shown to aid at-risk youth and reduce racial and ethnic disparities in the system.

In a May 3, 2023, letter to Speaker McCarthy, Treasury Secretary Yellen stated that default on the debt could be as soon as June 1, 2023. She further made clear that waiting to address the debt limit will “cause severe hardship to American families” as well as seriously harming business and our global leadership position. In a recent Senate Banking Committee hearing, [economist Mark Zandi of Moody’s warned](#), “A default would be a catastrophic blow to the already fragile economy. Global financial markets and the economy would be upended, and even if resolved quickly, Americans would likely pay for this default for generations.”

We call on Congress to swiftly **pass a clean debt limit bill rather than put the burden of our debt on the shoulders of our children and those most in need.** We also strongly urge you to work to conclude the FY2024 appropriations process separately in a bipartisan, bicameral manner, protect programs that support children and families by rejecting budget caps so that we build off the recent successful increased investments in our children giving them the opportunity to be successful for themselves and our nation’s future.

Sincerely,

First Focus Campaign for Children  
1,000 Days, an Initiative of FHI Solutions  
AASA, The School Superintendents Association  
American Association of Child and Adolescent Psychiatry  
American Federation of Teachers  
American Psychological Association Services  
Center for Law and Social Policy  
City Year, Inc.  
Child Care Aware of America  
Child Welfare League of America

Children's Defense Fund  
Church World Service  
Coalition for Human Needs  
Committee for Children  
Educare Learning Network  
Family Centered Treatment Foundation  
Family Focused Treatment Association  
Family Voices  
Futures Without Violence  
Institute for Educational Leadership  
Michigan's Children  
National Association of Counsel for Children  
National Association of School Nurses  
National Center for Healthy Housing  
National Child Care Association  
National Diaper Bank Network  
National Education Association  
National Network for Youth  
National Respite Coalition  
National Rural Education Association  
National Rural Education Association Consortium  
National WIC Association  
National Women's Law Center  
Organizations Concerned About Rural Education  
Prevent Blindness  
Prosperity Now  
Public Advocacy for Kids  
RESULTS  
Save the Children  
School Based Health Alliance  
Schoolhouse Connection  
Start Early  
Sycamores  
Tennesseans for Student Success  
The Children's Partnership  
Voices for National Service  
Voices for Utah Children  
Voices for Vermont's Children  
Young Center for Immigrant Children's Rights  
Youth Villages  
ZERO TO THREE

cc: Members of Congress

