



April 26, 2023

U.S. House of Representatives Washington, D.C. 20515

Dear Representative:

I am writing from First Focus Campaign for Children, a bipartisan child advocacy organization dedicated to ensuring children are a priority in federal budget and policy decisions, to urge you to **oppose the debt limit bill, H.R. 2811**. Our lawmakers should not use the full faith and credit of the United States as a bargaining chip for extremely harmful spending cuts that are targeted at our children and those most in need in our society. We soundly reject H.R. 2811 and urge our federal lawmakers to do better for our children and our underserved neighbors and communities.

Investments in our children are disproportionately discretionary and the bill revealed last week aims to dramatically cut spending for non-defense discretionary programs by as much as 22% or more in the first year. It is nonsensical to – in the name of the next generation – target them for disproportionate cuts to education, health care, early childhood, child care, child nutrition, housing, child poverty reduction, child abuse prevention, and even to serve kids in foster care. This is not what the American people want.

In fact, 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." Moveover, by an 89-7% margin, voters believe "investing in children has a large return in a healthy society and a healthy economy." The American people get it.

Instead, the bill would provide less than a year of protection from devastating debt default while calling for a decade of alarming spending limits for programs we know benefit our children and working families. As lawmakers pledge to protect funding for Medicare, Social Security, veterans and defense, it becomes apparent that federal resources for children and low-income households would be disproportionately targeted for crushing cuts. If defense and veterans' health programs are also protected, other non-defense discretionary programs could be slashed by nearly 60% at the end of ten years!

At the same time, H.R. 2811 fails to disclose tax-related priorities that have significant 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 <u>major driver of our national debt</u>. In fact, H.R. 2811 would undermine the Internal Revenue Services' ability to ensure corporations and the wealthiest are paying their fair share by eliminating the agency's funding to support the collection of taxes owed by the wealthiest. This bill is not just about a debt default, as it sets a very risky precedent

linking the debt limit to cruel spending cuts and hiding consequential tax policy priorities that almost certainly guarantees we default on our children, low-income people and working families, our environmental health, our communities in need, and what we stand for as a nation.

The health and well-being of our children was in crisis long before COVID-19 shocked the country's health and economy. Each year, federal programs provide children with affordable health care, nutritious food, stable housing, early childhood education, and more. These programs not only lift millions of children out of poverty each year but also have positive long-term benefits for our children's healthy development and well-being. At First Focus Campaign for Children, we are gravely concerned about the debt limit bill expected to be voted on today. The bill disproportionately would harm children at a time when they are struggling across all aspects of their lives and desperately need our support rather than significant cuts in federal resources.

Children make up approximately one-quarter of the U.S. population, but First Focus on Children's annual <u>Children's Budget</u> illustrates they historically have not received anywhere close to their fair share of government funds, despite evidence that investing in children benefits their well-being and the country's overall economy. The unprecedented level of investment in our nation's children in FY22 showed what we can achieve when we prioritize our kids. The increased share of federal spending on children has been game-changing, driving a 46% reduction in child poverty in 2021 – the largest year-to-year reduction on record of child poverty, leading to remarkable declines in child hunger, and dropping the rate of children without health insurance. The pandemic is receding, but the emergency of our children's well-being is not, as this funding has already expired.

To make matters worse, In today's early morning hours, additional concessions were made to gain the necessary votes for passage of H.R. 2811 that include tax breaks for biofuels, speeding the implementation of expanded bureaucratic barriers to both SNAP and TANF and additional rescissions of Covid-19 related funding that is intended to help communities in need recover from the pandemic and its economic fallout.

So while the House is looking to protect ethanol, children are being placed on the chopping block. Therefore, we strongly urge you to oppose the McCarthy legislation, pass a clean debt limit bill quickly, and work to conclude the FY2024 appropriations process in a bipartisan, bicameral manner.

As House leadership readies to vote on H.R. 2811, it is apparent that children are likely to bear the brunt of draconian decreases in federal resources:

Here are Six Ways Budget Cuts Could Impact Kids

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.

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.

These cuts would also <u>reduce benefits under the Low Income Home Energy Assistance Program</u> (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). <u>Nearly 260,000 households would lose benefits</u>, leaving these households dangerously unable to heat their homes.

3. Education: A reduction to the FY 2022 enacted level would cut funding from multiple programs. Low-income students and students with disabilities <u>would lose 13,000 teachers</u>. Deeper cuts would remove as many as 60,000 teachers from classrooms.

4. 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 101,000 child care slots would also vanish, adding to the nation's child care crisis and preventing these parents from participating in the workforce.

5. Mental Health: Sharp reductions in funding would cut responses by the 988 Suicide Crisis Lifeline, <u>stranding nearly 1 million people in the midst of a suicide, mental health or substance use crisis</u>.

6. Youth Justice: Rolling funding back to FY 2022 enacted levels would <u>hinder reforms to the</u> <u>youth justice system</u>, <u>dropping awards to states and localities by roughly 35%</u> and endangering progress on programs that have been shown to aid at-risk youth and reduce racial and ethnic disparities in the system.

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We urge you to prioritize kids in all federal budget and policy decisions and vote no on H.R. 2811. We all benefit when our children's well-being is a priority.

Sincerely

Buice Lesley

Bruce Lesley President