

May 17, 2023

The Honorable Rosa DeLauro U.S. House of Representatives Washington, DC. 20515

The Honorable Suzan DelBene U.S. House of Representatives Washington, DC. 20515

The Honorable Ritchie Torres U.S. House of Representatives Washington, DC. 20515

Dear Representatives DeLauro, DelBene and Torres:

I am writing from First Focus Campaign for Children, a bipartisan child advocacy organization dedicated to ensuring children are a priority in federal policy and budget decisions, to both thank you for your leadership on the American Family Act and offer our strong endorsement of the legislation. As you know, the temporary improvements to the Child Tax Credit (CTC) authorized in the 2021 American Rescue Plan Act (ARPA) were transformational for so many children. Those historic policy changes and investments contributed significantly to the largest decrease –nearly 50% — in the child poverty rate on record in 2021, dramatically reduced food insufficiency, and eased material hardship for tens of millions of households. We stand ready to work with you to build off that success and authorize a permanent child allowance program as proposed in the AFA so that all children benefit.

The AFA includes key provisions that we know were remarkably successful under the ARPA. The AFA would make permanent an increased amount of the credit, availability of monthly payments, and eligibility for families with little or no income to receive the full credit. Extensive research shows that families receiving the monthly CTC payments overwhelmingly spent them on basic necessities including food, utilities, housing, education resources, diapers, and paying down debt. Furthermore, several studies found the cash benefit had no impact on employment status. In fact, the CTC helped families, especially single mothers, increase their labor force participation by allowing them to afford child care, transportation, and other necessities that make it possible for them get to work.

Poverty is a severe problem for children. Even just a short period of poverty will cause children to suffer negative effects for the rest of their lives. Beyond consequences for individual children, child poverty negatively affects the entire nation, costing the country roughly \$1 trillion annually

in health care costs, lost productivity and other expenditures. The AFA is an incredibly important legislative proposal to establish a permanent child allowance program that the National Academy of Sciences identified as one of the most powerful tools to address our child poverty crisis. Without passage of the AFA and the reinstatement of life-altering CTC improvements, we know that children will be harmed.

The expiration of the unprecedented CTC investments in the ARPA disrupted every aspect of children's lives: Roughly 4 million children slid back into poverty in January 2022, food insufficiency rates among households with children increased 25%, and rising rents means that many families are once again experiencing significant material hardship. Unfortunately, child poverty in the United States remains stubbornly persistent. Despite some recent progress, nearly 4 million children were living in poverty in 2021 and without important financial support, such as the enhanced CTC, nutrition and housing assistance, and health and child care programs, that number would have been over 11 million children. Black and brown children experience higher rates of poverty than their white peers. In 2021, 8.3% of Black children and 8.4% of Hispanic children were experiencing poverty versus 2.7% of white children. Moreover, a large number of children continue to live at or just above the federal poverty level. The AFA would help to narrow the poverty gap for Black and Hispanic children compared with white children and improve economic security for many working families and those facing the biggest barriers to economic mobility.

We must prioritize children with policies and investments like those proposed in the AFA. For far too long we have failed to address child poverty in this country and make adequate investments in our children's well-being. With enactment of the AFA, we would right our course, and overwhelming evidence shows us it works. We thank you for your bold leadership to address child poverty and champion such significant and game-changing policies to benefit children and families who most need support. Every child deserves the resources they need to thrive. The AFA prioritizes 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. We are pleased to endorse the AFA and work with you to ensure its enactment.

Sincerely

Bruce Lesley President

Buce Lesley