

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  
All Our Kin  
American Academy of Pediatrics  
American Federation of Teachers

Association of Children's Residential  
Centers (ACRC)  
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  
Families USA  
Family Centered Treatment Foundation  
Family Promise  
First Five Years Fund  
Futures Without Violence  
HEAR US Inc.  
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  
MENTOR National  
MomsRising  
National Advocacy Center of the Sisters of the Good Shepherd  
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 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  
Partners for Education at Berea College  
Partnership for America's Children  
Prevent Blindness  
Prevent Child Abuse America  
Prosperity Now  
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  
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  
Children's Action Alliance Arizona

### California

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

### Colorado

AAP Colorado  
Colorado Children's Campaign  
Parent Possible

### Connecticut

Angel Wings Daycare  
CAST Preschool and Childcare Center  
CERCLE  
Connecticut Chapter of the American Academy of Pediatrics  
Connecticut Voices for Children  
East Hartford CONNects, a Working Cities Initiative

### Connecticut (con't)

Hamden Adult Education  
Jack's Playhouse  
Lighthouse Childcare Center  
Little Munchkin Day Care  
Mishkan Israel Nursery School  
Saugatuck Outreach Nutrition Program  
St. Paul's Child Development Center  
The Riverfront Children's Center, Inc.  
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

### 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

### **Maine**

Maine Chapter AAP

### **Massachusetts**

Boston University School of Social Work

### **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  
NC Child  
NC Pediatric Society

### **Nebraska**

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

### **New Hampshire**

NH Chapter of the AAP

### **New Jersey**

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

### **New Mexico**

New Mexico Pediatric Society  
New Mexico Voices for Children

### **Nevada**

Children's Advocacy Alliance

### **New York**

ACCESS of WNY  
Children's Agenda  
Children's Aid  
MercyFirst  
New York Chapter 2 of the American Academy of Pediatrics  
NY Chapter 3 AAP  
NYS Chapter 1 AAP  
Schuyler Center for Analysis and Advocacy  
Westchester Children's Association

### **Ohio**

Ohio AAP  
Ohio Council of Churches

**Oklahoma**

Cultivate Hope Advocacy  
Oklahoma Chapter - American Academy of Pediatrics

**Oregon**

Oregon Pediatric Society

**Pennsylvania**

CHOP PolicyLab  
Grands As Parents, Inc.  
PA Chapter, American Academy of Pediatrics  
Pennsylvania Association for the Education of Young Children

**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**

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

**Vermont**

American Academy of Pediatrics Vermont Chapter

**Washington**

Children's Campaign Fund  
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