



January 15, 2021

## The Children's Defense Fund released the following statement today in response to the release of President-Elect Biden's first COVID-19 relief package proposal:

Washington, D.C. — The \$1.9 trillion COVID relief package released yesterday by President-Elect Biden would make a down payment on ending child poverty and [could lead to the largest reduction in child poverty rates in decades](#). Central to this is the proposal to significantly expand the Child Tax Credit (CTC) by making it fully refundable and increasing the credit to \$3,000 for kids under 17 and \$3,600 for kids under 6 for one year. The package also would dramatically fight child poverty by extending SNAP benefit increases through the end of 2021, provide a one-time direct payment of \$1,400 for eligible adults and children, and extend unemployment insurance benefits with an additional \$400/week. Together these policy changes could lift five million children out of poverty in 2021.

"As the pandemic continues to exacerbate the systems of economic and racial injustice that harm our children, the President-Elect's relief package would take a long overdue step to address our nation's shameful child poverty crisis," said Kathleen King, Interim Policy Director for the Children's Defense Fund. "The Children's Defense Fund has long sought to end child poverty and strongly supports the expansion to the Child Tax Credit to deliver cash directly to families in need, help families offset the costs of raising children, reduce racial disparities, and tackle child poverty head on. We urge Congress to immediately pass these additional relief measures and then work to make these crucial provisions for children permanent."

The changes to the CTC proposed in the President-Elect's relief package were first included in the [American Family Act](#) thanks to the leadership of Congresswoman Rosa DeLauro (D-CT), Senator Michael Bennett (D-CO), and Senator Sherrod Brown (D-OH) and will improve the lives of millions of children, especially Black, Hispanic, and Indigenous children, by cutting child poverty, reducing racial disparities, and helping improve children's health and education outcomes. The current CTC lifts a few million children out of poverty every year, but 23 million more—including the poorest children and half of Black and Hispanic children—are left out. This expansion of the CTC will extend benefits for children in households with the lowest incomes and expand the value of the cash benefit tremendously. In total, if made permanent, these changes would nearly triple the poverty-fighting effects of the CTC, lift [four million children](#) out of poverty, and cut deep child poverty in half. The impacts on [racial disparities](#) in poverty are even more dramatic; these changes would cut poverty for Black children by 52 percent, Hispanic children by 45 percent, and Indigenous children by 61 percent.

Since the start of the pandemic, [CDF has called on lawmakers to prioritize children](#) in their response to the crisis. We are pleased that President-Elect Biden's proposal includes a number of other provisions that will help address the myriad of challenges facing children and families today, including:

- Significant funding for child care;
- Resources to help schools reopen safely;
- An extension of the eviction moratorium and additional resources to help families pay their rent and avoid homelessness;
- More resources to address the growing child hunger crisis;
- Additional Temporary Assistance for Needy Families (TANF) funding to help states provide additional cash assistance to families with children with very low-incomes; and
- Expansions of paid family and medical leave.

###