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Dear Senate Majority Leader Chuck Schumer

As tax season draws to an end and tens of millions of people across the country receive the second half of their expanded Child Tax Credit (CTC), we write to express our deep and continued concern about the expiration of this vital support. The impact of the end of monthly CTC payments has been particularly profound - and painful - for communities of color.

Now that the Senate is about to start crafting an economic package, we urge you to **restart these monthly payments and restore eligibility to immigrant children as the [most immediate, meaningful response](#)** to higher prices that Congress can deliver to 36 million families, especially Black and Latino families historically left out of the full Child Tax Credit.

The expanded monthly CTC passed in the American Rescue Plan was one of the most successful policies in recent memory. As the Center on Budget and Policy Priorities observed, "It's hard to recall a policy initiative that's had such obvious success in improving families' income security as the expanded Child Tax Credit." In just a few short months, the monthly expanded CTC payments pulled [3.7 million children out of poverty](#) and reduced child poverty by nearly 30 percent.

It is impossible to ignore the racial justice implications of this policy's implementation (and its expiration). One of the most important features of the expanded CTC was that it was made [fully refundable](#), allowing it to reach the families who needed it the most. Previously, 27 million children in this country were excluded from this benefit, including approximately **half** of Black and Latino children, who received only a partial credit or none at all. The American Rescue Plan reversed this injustice.

The real-world results of the monthly payments were immediate. Census Household Pulse survey data found that within six weeks of the first payments going out, [food insecurity plummeted by one-third](#). The impact of this change was most significant for Black and Latino families, who experience food hardship at twice the rate of white families.

The impact on food hardship is not surprising given that the same survey found that more than 90% of parents spent their payments on basic needs such as food, utility payments, clothing, or educational costs. And contrary to some ugly stereotypes that once again reared their head in the debate over the CTC, there is [absolutely no evidence](#) that the payments reduced work or were misspent. Indeed, studies indicate that cash payments actually reduce spending on so-called temptation goods like alcohol because they reduce the anxiety associated with financial insecurity.

Unfortunately, the gains thanks to the expanded CTC, including for Black and Latino families, were erased as soon as the monthly payments ended. In January 2022, the first month without a check since July 2021, 3.7 million children were plunged back into poverty. Over the course of 2022, this is expected to increase to [4.1 million](#). That means the percentage of Black children in poverty will increase from 13% to 22%. Poverty among Latino children will increase from 12% to 21%. While the poverty rate among white children will also increase, it will nevertheless remain nearly two-thirds lower than among Black and Latino children.

This is simply unacceptable.

The timing of the expiration of expanded CTC payments was also particularly cruel, coming just as omicron unleashed another devastating surge in a pandemic that has disproportionately impacted our communities and as inflation soared to highs not seen in forty years. Given this we believe strongly that Congress must not extend tax breaks for big corporations through the America COMPETES Act or any other major must-pass legislation without also delivering real relief for families by extending the CTC.

Reinstating expanded, monthly, refundable Child Tax Credit and restoring eligibility to immigrant children will immediately put our country back on the path to reducing child poverty by almost half. It is also the most immediate and obvious solution to the rising costs that are devastating family budgets. According to [Moody's Analytics](#), the average American household is now paying \$327 per month in extra costs due to inflation, with lower and middle-income households hit even harder. This toll on family budgets could be offset by a single monthly CTC payment of \$300 per younger child.

More than [130 economists recently wrote](#) that, “the expanded Child Tax Credit is one of the easiest, most effective, and direct tools currently at our disposal to help families deal with the impact of inflation on family budgets.” Addressing inflation concerns, they also wrote, “the expanded Child Tax Credit is too small to meaningfully increase inflation across the whole economy, but it will make an important difference for family budgets, especially families in the bottom half of the income spectrum.”

Poverty is a policy choice. Allowing millions of children, including more than 2.5 million Black and Latino children, to fall back into poverty is also a political choice. We urge you to summon the political will and find a path forward so millions of children are not relegated to poverty just months after they and their families were given a lifeline. Any economic package must include an expanded monthly refundable Child Tax Credit and restore eligibility to immigrant children.

Sincerely,

Alianza Nacional de Campesinas
Center for Law and Social Policy (CLASP)
Children's Defense Fund
Children's HealthWatch
Children's HealthWatch
Coalition on Human Needs
Common Sense Media
Community Advocates Public Policy Institute
Community Change Action
DC Action
Economic Security Project Action
Educare Learning Network
Farmworker Association of Florida
First Focus Campaign for Children
Forum for Youth Investment
Futures Without Violence
Groundwork Action
Illinois Coalition for Immigrant and Refugee
Rights
Income Movement
LIFT, Inc
Maine Children's Alliance
Mother's Outreach Network
MoveOn
NAACP
National Urban League
National Women's Law Center

NETWORK Lobby for Catholic Social Justice
New America Chicago
Our Children Oregon
Oxfam America
ParentsTogether Action
Partnership for America's Children
People's Action
RESULTS
Rural Coalition
San Diego for Every Child
SaverLife
Shriver Center on Poverty Law
Stand for Children
The Arc of the United States
The Leadership Conference
UnidosUS
United Parent Leaders Action Network (UPLAN)
United State of Women
United Way of Illinois
United Way of Metro Chicago
Universal Income Project
Workers Center of Central New York
YWCA USA