



Economic  
Security  
Project



# So Much More Than a Check:

Lessons Learned in the Fight for the Child Tax Credit

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## ACKNOWLEDGMENTS

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# Executive Summary

The 2021 expansion of the Child Tax Credit was a dramatic demonstration of how policy can directly and immediately change lives for the better. In the midst of an unprecedented public health crisis that plunged the economy into freefall, the expanded Child Tax Credit allowed its recipients to defy gravity — providing powerful, reliable resources, in the form of monthly checks for nearly all American families with children. It enabled parents to get back to work and provide for their children and communities; it improved families’ well being and reduced their stress; and it created stability in the face of chaos. We still have not fathomed the full extent of the positive effects of this milestone legislation.

✦ **Monthly, no strings attached cash simply because every person has value and dignity in our society. It’s hard to imagine anything further from the dominant neoliberal paradigm of the last four decades.**



**Dorian Warren**  
Co-president of Community Change  
Board Chair and Co-founder of Economic Security Project

And yet, despite its undeniable public good, helping millions of children and working parents to thrive, the expanded Child Tax Credit was not renewed by Congress, joining the pantheon of other popular, effective pro-family policies — such as gun safety measures, paid leave, child and elder care support, and so many others — that our legislature has failed to rally behind.

Despite Congress’s lapse, Economic Security Project is proud to have led a robust and still-growing coalition in a two-year fight to pass, implement, and extend the expanded Child Tax Credit, building on the work of many leaders and organizations. The expanded tax credit,

even as a temporary measure, represents a leap forward. Effectively a six-month trial of direct cash payments, the expanded Child Tax Credit is helping us redefine the 21st century social contract as one that trusts people and empowers them to contribute to their families and communities. It’s an approach that prioritizes the freedom and economic security of working people through public investment and public goods, creating the conditions in which families can prosper. Now that the dust has settled, we find ourselves in the early days of a new era of policy making to support working families and children.

**How we got here matters. And how well we learn the lessons of this battle will determine how quickly we move on from this setback into the next phase of the fight.**

This report sets out to explain how this unlikely experiment came to be; to understand the specific political climate in which these events played out; to catalog the efforts to champion the program so we can build on them; and to grapple with lessons learned so that we may more fully achieve our goals in the future. We’re reminded that Social Security, as we know it today, took decades of prolonged advocacy to realize and to earn the trust of the American people. The same can be said of modern health care reform. We submit a thorough, honest accounting of this fight — both to underscore the value that the investments made in this campaign have already returned, and to make the case for continued investments in the leaders championing the Child Tax Credit. Our coalition is strong and ready for action. If we learn the right lessons from this fight, this setback will be momentary, and we can begin our next campaigns — at both the state and federal

levels — without delay and with the confidence that we can achieve the historic victories American families deserve.

This report draws lessons that we believe are applicable across the CTC movement, but primarily pulls from work that ESP, and the coalitions we ran, were most involved in. The movement for an expanded Child Tax Credit was only as robust and successful as it was due to the contributions of many partners from a range of different backgrounds and perspectives. We want to specifically recognize:

- Racial justice and civil rights organizations that did essential public education and inside advocacy, including NAACP, National Urban League, UnidosUS, Color of Change, and the Leadership Conference for Civil and Human Rights.
- The most engaged and effective participants in the Child Tax Credit public campaign working group, Cash War Room, and Keep Families Afloat, including: Bread for the World; Center for American Progress; Center on Budget and Policy Priorities; Children’s Health Watch; Community Change; Coalition on Humanity Forward; Friends Committee on National Legislation; Human Needs; Mayors for a Guaranteed Income, MomsRising; Network Lobby; ParentsTogether; People’s Action; Progressive Change Campaign Committee; RESULTS; and the ABC Coalition (led by Children’s Defense Fund and Center for the Study of Social Policy), which provided a home for the public campaign working group and convened and coordinated policy response.
- Organizations doing critically important



research such as Columbia University Center on Poverty and Social Policy; Urban-Brookings Tax Policy Center; the Institute on Taxation and Economic Policy; Niskanen Center; and the Joint Economic Committee.

- The most engaged state partners, such as Maine People’s Alliance; Economic Security Illinois; the West Virginia Citizens Action Group; SPACES In Action; and Income Movement. Common Sense Media did invaluable work in Arizona, and has served as a national partner throughout this fight.
- Insightful advisers like Seiji Carpenter, David Binder, Celinda Lake, Dylan Hewitt, Adrienne Elrod, Sachin Chheda, Katrina Gamble and Sojourn Strategies, the teams at SKDK, Bully Pulpit Interactive, and Stan Greenberg, who

partnered with us on invaluable public opinion research; and Fighting Chance for Families, a project of Groundwork Collaborative and Data for Progress, who produced especially voluminous research, in particular an essential tracking poll that served as the first data on the political implications of the expanded Child Tax Credit.

- And, of course, the vaunted “CTC Six” congressional champions (Sens. Michael Bennet, Sherrod Brown, and Cory Booker, and Reps. Rosa DeLauro, Suzan DelBene, and Ritchie Torres), as well as the White House and Treasury team led by Gene Sperling.
- Important groups engaged in the fight for a care economy that prioritized the CTC, coordinated by Care in Action.

# What We Learned

The two years ESP and our allies spent championing the expanded Child Tax Credit did not succeed, this time, in establishing a permanent new generational investment in American families. But we made huge strides — advancing leaps and bounds from where the original tax credit began nearly 25 years ago. We’ve brought the movement to the brink of a new era on these issues.

But the real success of the last two years ultimately depends on how we process the insights from this campaign and adapt our strategy in the years ahead. Let’s start by establishing some key learnings from the Child Tax Credit campaign:

- **Cash is winnable.** Starting with the emergency stimulus checks during COVID and playing out through the monthly advance payments under the expanded Child Tax Credit as the economy recovered, sending cash directly to Americans has emerged as a sensible, highly effective policy choice. In fact, these programs proved to be popular among recipients and non-recipients alike — with strong favorables even crossing party lines.
- **Monthly payments are an undeniable success.** The monthly nature of the expanded Child Tax Credit ended up being a game-changer. These automatic payments aligned naturally with the way many families budget — and the reliability

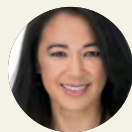
reduced household stress and enabled parents to work, plan, and provide for their children and communities. A Columbia University study found that monthly payments lift one-third more children above the poverty line each month on average than annual payments.

- **The federal government gets credit when programs are direct, visible, and regular.** Despite the lack of a cohesive marketing strategy, and despite the fact that it lasted just six months, the expanded Child Tax Credit broke through and was felt in the lives of millions of parents — and they credited the government for it. While many social programs get lost in the muddle (the “submerged-state” phenomenon that leads to protests like “Keep your government hands off my Medicare”), these payments were broadly understood and attributed to the federal government, even though this understanding may have taken some time. With more aggressive implementation and messaging, we could use this capital to make further political and policy advances.
- **Go big and take credit — you gotta do both.** The more data we get, the more we can demonstrate the historic policy success of the expanded Child Tax Credit. For six months, it was truly transformative. Leaders need to





## ✦ It is important to remind people that government can do big things.



**Felicia Wong**  
President and CEO of Roosevelt Institute

use the bully pulpit more aggressively in moments like this. Unfortunately, the Child Tax Credit never benefited from the degree of executive branch barnstorming that other successes like the infrastructure law did, or from even the more modest but concerted government outreach and visibility that the vaccine drive enjoyed. One way to force that function in the future would be to bake in more outreach marketing funding into the legislation — similar to how the Affordable Care Act has large marketing budgets baked into each of its enrollment periods — creating even more opportunity for officials to tout the program and its success, and in turn raise the awareness and popularity of the program.

- **This fight is very much a long game.** There's little doubt that the only reason an expanded Child Tax Credit came to pass in the first place is that allies in Congress and in advocacy organizations had spent more than two decades working on this exact question. When the legislative window to advance this policy arose, the community was ready for it. Despite the eventual setback, we made progress on building support for the Child Tax Credit and have established deeply committed congressional allies and coalition members ready to build on this success in the future.

- **There's still work to do to build a stronger political constituency to prioritize renewing and strengthening the Child Tax Credit.** While our coalition was impressive in size and scope, we didn't fully succeed in assembling a political army around the Child Tax Credit, legislatively or politically. The Child Tax Credit is not yet a top priority within labor, netroots, or political organizing organizations. That provides obvious low-hanging fruit for the strategy moving forward. Furthermore, many potential allies saw the program as unpopular, failing to recognize its deep popularity among Black and Latino communities, parents, and even among many white working-class voters of both parties. And after the program wasn't extended, many of its supporters did not feel emboldened to claim political credit for the policy's success — an omission that reduced the credit's visibility throughout last year.
- **We need to refine our messages to engage and navigate deep-seated values and identities.** We must deepen our understanding of core audiences, understand what will build trust among them, and connect the Child Tax Credit to their values. It's critical to recognize how long-standing misperceptions, perpetuated by political opponents, present messaging hurdles in reaching certain groups.

Whether these misperceptions are related to the impacts of the credit on people's desire to work, or on inflation; or whether they're rooted in pervasive or race-based notions of deservedness, it is important that we find ways to reach these audiences without sacrificing our structural analysis of today's economy, our progress on racial justice, and the moral imperative to create more economic security for Americans. We acknowledge a tension exists between arguments celebrating the anti-poverty effects of the policy (a popular positioning from progressive champions) and arguments that focus on supporting working families and building the middle class, and this tension meant an otherwise well-coordinated coalition never truly aligned on a core message. In the next fight, it's not only essential to identify the messages that are most persuasive among a wide swath of voters — it's mission critical that champions and partners, regardless of ideology, align and sing from the same hymnal.

- **Six months is just the start.** Implementing the expansion of the Child Tax Credit was a complex operational, policy, and political endeavor. Building a politically formidable constituency around a heretofore unheralded provision of the tax code remains similarly challenging. Six months of checks were certainly noticed by parents, but that proved to be too little time for families to truly rely on the payments. To have the program expire as a contentious national election was getting underway did not help our cause. Consequently, we may now be only at the “end of the beginning” of our effort. Patience and persistence is key. It took many decades, and several hard-fought attempts to build the environment in which the Affordable Care Act would eventually (and narrowly) get passed into law. The progress we've made in the last few years on the Child Tax Credit is undeniable, and our momentum going forward is real. If we capitalize on this momentum by continuing to invest in the advocacy ecosystem pushing for the Child Tax Credit, we will be in a position to win this fight down the road.



# By the Numbers: Historic Policy Impact

The expanded Child Tax Credit is a powerful case study of how investing in and trusting families pays off. The numbers are there to back it up.

With just six short months, here are some highlights of the credit's impact on Americans:



91%

The percentage of families with incomes under \$35k who reported spending Child Tax Credit checks on basics, like food, rent, utilities, clothing, and education.

(SOURCE: CBPP)

25%

The immediate drop in food insufficiency rates. Fewer kids went hungry and eligible households reported healthier, more nutritious eating.

(SOURCE: CENTER OF POVERTY & SOCIAL POLICY / BROOKINGS)

21%

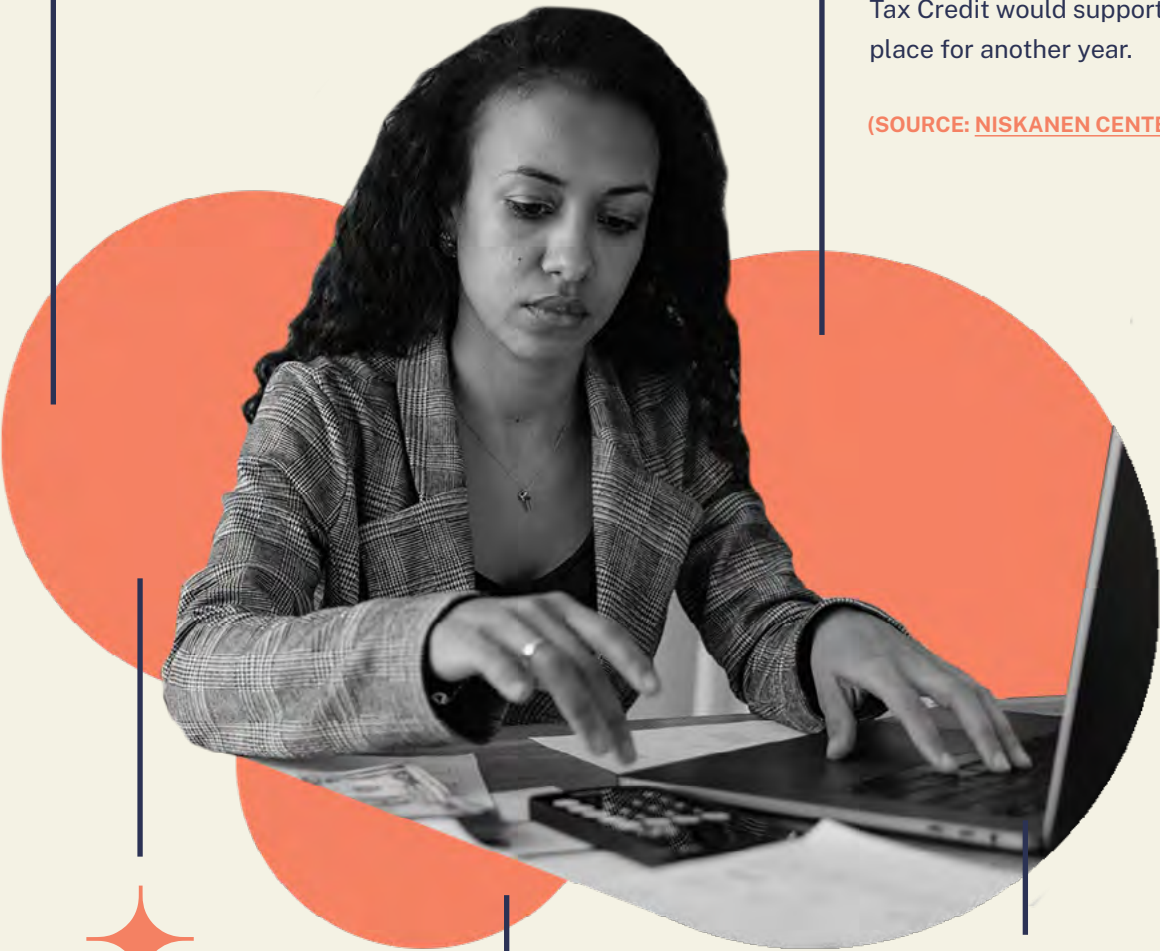
Recipients who reported running their own business or planning to start one.

(SOURCE: WASHINGTON UNIVERSITY IN ST. LOUIS)

500k

The number of full-time private sector jobs the expanded Child Tax Credit would support if in place for another year.

(SOURCE: NISKANEN CENTER)



33%

The percentage drop in unemployment, from 5.9% in June 2021 to 3.9% in December 2021.

(SOURCE: BUREAU OF LABOR STATISTICS)

1.3x

Parents were that much more likely to start new professional training while receiving the credit.

(SOURCE: BROOKINGS)

Zero

The effect on recipient employment rates during the six months of the payments.

(SOURCE: WASHINGTON UNIVERSITY IN ST. LOUIS & APPALACHIAN STATE UNIVERSITY)



3.7 million

The number of children lifted out of poverty, bringing the rate to a record low in 2021.

(SOURCE: [BROOKINGS INSTITUTE](#) / [U.S. CENSUS](#))

30%

The percentage increase in children lifted out of poverty on average each month directly attributable to the credit's distribution in advance monthly payments rather than a lump sum.

(SOURCE: [COLUMBIA UNIVERSITY CENTER ON POVERTY AND SOCIAL POLICY](#))

1 in 4

Number of families with younger children that used their payments on child care when school started in late August and early September.

(SOURCE: [U.S. CENSUS](#))



\$8

The return on investment for every dollar spent on the Child Tax Credit in social and economic benefits.

(SOURCE: [COLUMBIA UNIVERSITY CENTER ON POVERTY & SOCIAL POLICY](#))

\$154

The average decline in credit card debt among eligible households (non-eligible households saw an average *increase* of \$363).

(SOURCE: [BROOKINGS](#))



Child Tax Credit-eligible households were:

1.7x

More likely to stop using short-term payday loans.

1.8x

More likely to stop using pawnshop loans.

2.0x

More likely to stop selling plasma.

(SOURCE: [BROOKINGS](#))

# A Brief History of the Child Tax Credit

The Child Tax Credit started small: a bipartisan effort passed by a Republican House and Senate and signed into law by a Democratic president over twenty years ago to provide mostly middle-income families with a \$400 per child annual credit on their federal taxes. Critically, when it was first implemented in 1998, it was mostly non-refundable, meaning it applied only to wealthier and whiter families that owed federal income tax — leaving out millions of lower-income households. But it was available to anyone with a taxpayer ID, including immigrants who file with Individual Taxpayer Identification Numbers (ITINs).

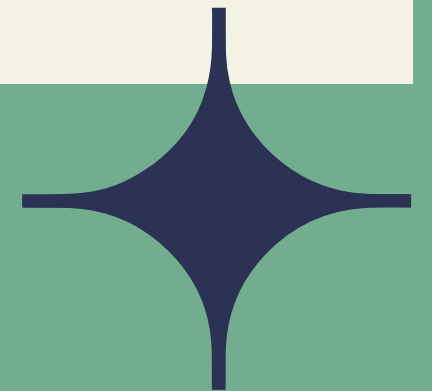
Over the next 20 years, the credit would be gradually (and then dramatically) increased. Legislation in 2001 would scale it to \$1,000 — incorporating refundability to allow families that

earned at least \$10,000 annual family income to receive the credit regardless of whether they owed federal taxes. That eligibility threshold would be reduced over time as well. In 2017, another bipartisan effort incorporated an expanded Child Tax Credit into the Tax Cut & Jobs Act — doubling the maximum credit to \$2,000 per child, lowering the income threshold at which the credit phased in, and increasing the threshold at which it phased out. But this revised credit put a cap on the amount given to families in excess of what they owed in federal income taxes — while also deliberately excluding immigrant children who had been eligible from the inception of the law. All in all, before the 2021 expansion, 27 million children were still left out of the full credit, a group that was disproportionately Black and Hispanic.



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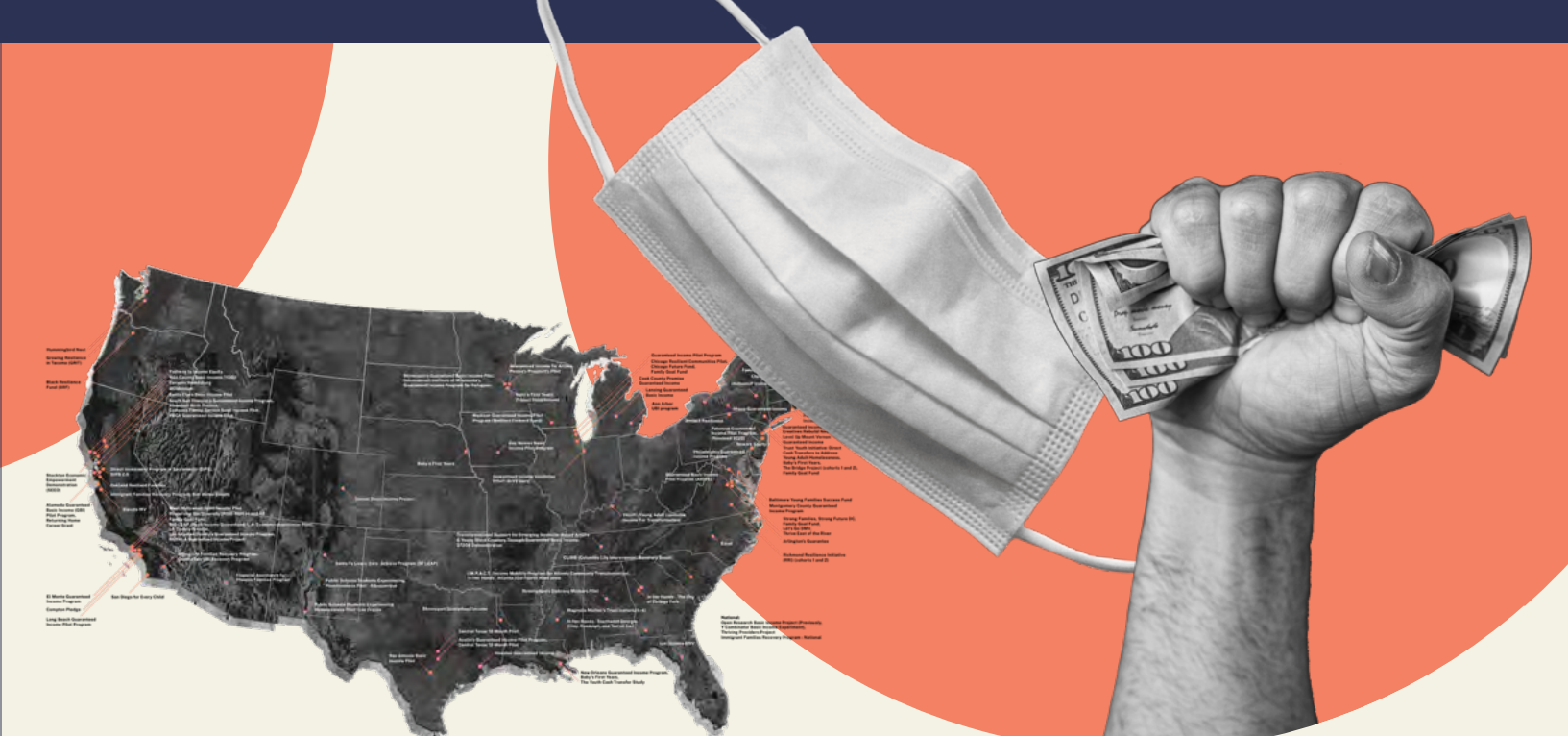


# A Brief History of the Child Tax Credit

- Obama Administration
- Trump Administration
- Biden Administration

The expanded Child Tax Credit passed as part of the American Rescue Plan represents a landmark victory for direct cash programs, coming on the heels of several years of progress that created the conditions under which such an expansion became possible. Here's how that momentum built over time.

(Main sources: [Health Affairs writeup](#) / [CRS report](#) on legislative history)



## 2016

The Economic Security Project is founded with a distinguished group of over 100 entrepreneurs, activists, researchers, and philanthropists signing on to the mission of championing direct cash payments to empower Americans to live and work to their full potential.

## 2017

Mayor Michael Tubbs and Economic Security Project announce the first mayor-led guaranteed income demonstration in Stockton, California.

## 2018

Representative Rashida Tlaib introduces the BOOST Act, and then-Senator Kamala Harris introduces the LIFT the Middle Class Act, which adopt Economic Security Project's proposal to expand the Earned Income Tax Credit — the first time since 1969 that a guaranteed income bill has seen real attention in Congress.

The Magnolia Mother's Trust pilot in Jackson, Mississippi, distributes its first checks, giving Black mothers living in affordable housing \$1,000 per month for twelve months. This produces powerful data on how such a program increases people's ability to feed their families, pay their bills, and save for emergencies, and improves participants' feelings of confidence, joy, and agency over their own lives. It has expanded to larger cohorts with each successive year, offering more benefits, and it continues to this day. Mayor Tubbs' Stockton Economic Empowerment Demonstration would distribute their first payments in February of 2019.

## 2019

Multiple candidates across the Democratic Part primary field endorsed cash policies, including eventual Vice President Kamala Harris and Senator Cory Booker.

## 2020

Economic Security Project and Mayor Tubbs found Mayors for a Guaranteed Income to capitalize on the momentum in municipalities across the country. Since the Stockton and Jackson programs, over 100 other guaranteed income pilots have launched across the country.

The COVID-19 pandemic creates the need for emergency relief to struggling families. Congress and President Trump approve two separate payments, one in April and one in December, to go out to nearly every American household, demonstrating the popularity of direct cash payments and the relative efficiency of the mechanism to deliver them.

## 2021

The American Rescue Plan expands the Child Tax Credit to nearly all families with children under 18 — making the credit fully refundable for the first time, increasing the maximum credit to \$3,600, and allowing it to be delivered in monthly advance payments. This dramatically increases the impact of the program, but only for the six-month duration of the program.

### July 15, 2021

The first advance monthly payments of the expanded Child Tax Credit are sent to millions of American households.

### December 15, 2021

The final advance monthly payments are distributed, as the Senate falls short of passing an extension.

# Our Origin Story on the Issue

✦ We are strongest when the people who make up our economy are the authors of their own lives.



Taylor Jo Isenberg  
Executive Director of Economic Security Project

Economic Security Project believes in an America where everyone has the freedom and stability required to thrive. We are strongest when the people who make up our economy are the authors of their own lives. But inequalities rooted in racism, justified by outdated economic ideas, and maintained by a wealthy few have left us all more insecure and less resilient. We can make a different set of choices.

In 2016, we began advocating direct cash payments as a guaranteed income solution to work alongside labor-based wages. Regular cash infusions provide families with economic resilience, and they credit people with knowing best how to meet their own needs and navigate their own circumstances. It didn’t take long to recognize that the tax code provides an effective mechanism to provide cash directly to American families. The Earned Income Tax Credit and the Child Tax Credit are long-established and popular programs, but small in scope. Bold modernizations

of these credits would provide families with reliable income — alongside their earned income — giving them a solid economic foundation. We started campaigning, advocating and writing about the tax code in 2017, with projects including Chris Hughes’ book A Fair Shot — eventually leading in 2018 to the introduction of the BOOST Act by Rep. Rashida Tlaib, and the LIFT the Middle Class Act by then-Senator Kamala Harris, both of which aimed to expand the Earned Income Tax Credit. These bills mark the first time guaranteed income legislation had gained real traction in Congress since the 1960s.

The COVID-19 pandemic flipped that script on its head. In the months of crisis, Congress and President Trump authorized two unrestricted payments acting as a form of social security — and in this brief moment of bipartisan clarity, demonstrated that direct cash payments are easy to pull off, widely popular, and undeniably effective.

The early days of the Biden administration offered opportunities to build on that success — not just to provide a third COVID stimulus payment to Americans, but to explore the possibility of expanding the Child Tax Credit. ESP worked behind the scenes with Congress, the White House, a broad coalition of advocacy organizations, and importantly, teams in the administration responsible for implementing an expanded Child Tax Credit. (The Earned Income Tax Credit was also expanded, but we won’t cover that at length here.)

What passed in the American Rescue Plan was game changing. Congress approved three critical expansions of the Child Tax Credit:

1. They increased the amount of the credit from \$2,000 to \$3,600 for each child 5 and under, and to \$3,000 for children 6 to 17.
2. They made the credit available through advance monthly payments, not just in one lump sum at tax time, a change that much more closely matches how families actually budget.
3. They made the credit fully refundable for the first time, which means that even those that didn’t earn enough to pay federal taxes still received the full credit, so it applied to nearly all families in America.

As Jason DeParle described it in The New York Times, the American Rescue Plan through this expansion of the Child Tax Credit “establish[ed] a guaranteed income for families with children.”

These expansions, however, were all made on a temporary basis — with monthly payments scheduled for just the second half of 2021. The question became whether a divided Congress and the Biden administration would make these expansions permanent.



✦ For families, the bills arrive monthly. So should the checks.



Natalie Foster  
President and Co-founder of Economic Security Project



# Go Big and Take Credit: Our Theory on the Case

Six months is an incredibly short period of time when you are trying to construct and solidify a new foundation of economic security for working American families.

Still, the hope remained that the monthly checks for families with kids would be as impactful and popular as the emergency stimulus checks that came before, and that Congress would have to make the credit permanent in the face of that popularity. The challenge, of course, was that the credit reached less than one-third of all households — those with children under 18. And many of those eligible, particularly those who hadn’t filed federal taxes, might not even know about it.



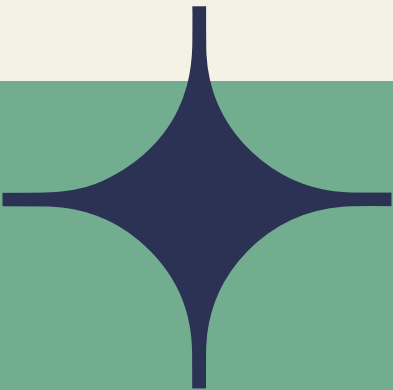
Economic Security Project set our sights on making the expanded Child Tax Credit effective and visible. We did that in three ways:

1. Helping government agencies responsible for distributing monthly payments optimize their systems and data to ensure that most eligible Americans received the tax credit.
2. Building a powerhouse coalition around the expanded Child Tax Credit, both to boost political support for the policy and to get trusted messengers to share information about the availability of the credit directly with their stakeholders.
3. Celebrating monthly checks and amplifying the impact they were making in real people’s lives.

We aimed to make sure the expanded Child Tax Credit did not become another example of the “submerged state,” as Suzanne Mettler described the hidden programs that people value and rely on but don’t ascribe to the effective workings of government. We wanted people to know about the expanded Child Tax Credit and feel it in their everyday lives. By underscoring the impact of a social program that actually helps people, we could make it more popular and harder to undo, while solidifying a new playbook to address economic insecurity in America.

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By underscoring the impact of a social program that actually helps people, we make it more popular and harder to undo, while solidifying a new playbook to address economic insecurity in America.



# Anatomy of the Fight: What we did and why

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36 How it all played out

To recount the complete chronicles of our fight for the expanded Child Tax Credit would require several chapters. Instead, we aim in this report to highlight the broad architecture of the strategy, with a handful of illustrative snapshots along the way.

We'll divide our story into two sections. **First**, we'll describe the work we did in the initial lead up and rollout of the expanded Child Tax Credit. **Second**, we'll take a deep dive into the fight to extend the expansion, or make it permanent. Although the work we did in the first phase necessarily also applies to the second, the fight for extension had challenges and complexities that merit a separate discussion.



## ■ The lead up and rollout of the expanded Child Tax Credit

Most of the work we put into this effort could fit in one of three buckets: (a) building support among lawmakers and among a group of organizations, to rally behind the credit — in other words, coalition building; (b) strengthening the implementation of the Child Tax Credit payments; and (c) amplifying the program to raise awareness and celebrate its success.

These three categories are interconnected, of course. By improving the program's implementation, we help it reach more families. By reaching more families, the program makes a bigger impact and creates greater awareness

among the general public. Broader awareness and more success stories improve the program's political outlook and its support among lawmakers.

In the narrative that follows, we discuss each of the three tactical categories described above as they pertain to the lead-up to the passage of the American Rescue Plan and the rollout of the Child Tax Credit expansion covering 2021. We'll touch on the highlights, but again, this is not intended to be a thorough timeline of events.

Then, in the following section, we'll dive into the fight to extend the program in 2022.



Coalition-building

One of the most impressive outcomes of our campaign around the Child Tax Credit is the sheer size and diversity of groups we brought to the table. Although a coalition had existed previously in the form of the excellent, policy-focused ABC (Automatic Benefits for Children) Coalition, we saw a need for a rapid-response space, so we created the CTC Public Campaign Working Group in partnership with the White House. The CTC Public Campaign Working Group provided an important opportunity for coordination and feedback as the policy was being implemented. We also shifted the Cash War Room, a grassroots-based coalition we had built around stimulus checks, to focus on the Child Tax Credit. Altogether, we worked with and helped convene over 150 partners that included racial justice organizations, grassroots organizations around the country, anti-poverty

organizations, children’s advocacy groups, labor unions, economists, state-based advocacy groups, small business coalitions, and many more.

Some of these organizations were essential in coordinating earned media and grassroots events. Some helped make sure their eligible members got their monthly checks. Others signed letters to lawmakers and the White House representing their members’ interests. Many, along with our sister organization, Economic Security Project Action (ESP Action), helped coordinate social media campaigns, congressional call-in days, and lobbying visits in D.C. and in their home districts. Together, all demonstrated the breadth of the Child Tax Credit’s popularity and reach.

But this was just the start. Gearing up for the next fight requires continuing to develop and expand this coalition in meaningful ways.

Implementation

An integral part of the question of whether the expanded Child Tax Credit would succeed is whether it would actually reach the people who needed it. We worked with the White House, the Treasury Department, the IRS, and congressional champions like Rep. Rosa DeLauro and Sen. Sherrod Brown — as well as outside partners like Code for America, New America, and the Center for Taxpayer Rights — to ensure that the credit would be paid automatically and monthly, and be accompanied by letters notifying recipients of the credit or letting people know that they were eligible to file and claim it. We proposed and supported the first-ever Child Tax Credit

Awareness Day, a month before checks went out. We urged the White House to create an informational website (which would become ChildTaxCredit.gov) and provided content suggestions, urging that all the materials be made available in mobile-friendly, multilingual formats. Finally, and critically, we helped persuade the administration to create a non-filer portal — providing easy instructions for people who had not filed federal taxes to sign up for the advance payments of the Child Tax Credit — and organized partners to promote it. This last measure helped ensure that as many eligible Americans as possible received the credit they were owed.





Today is a good day.

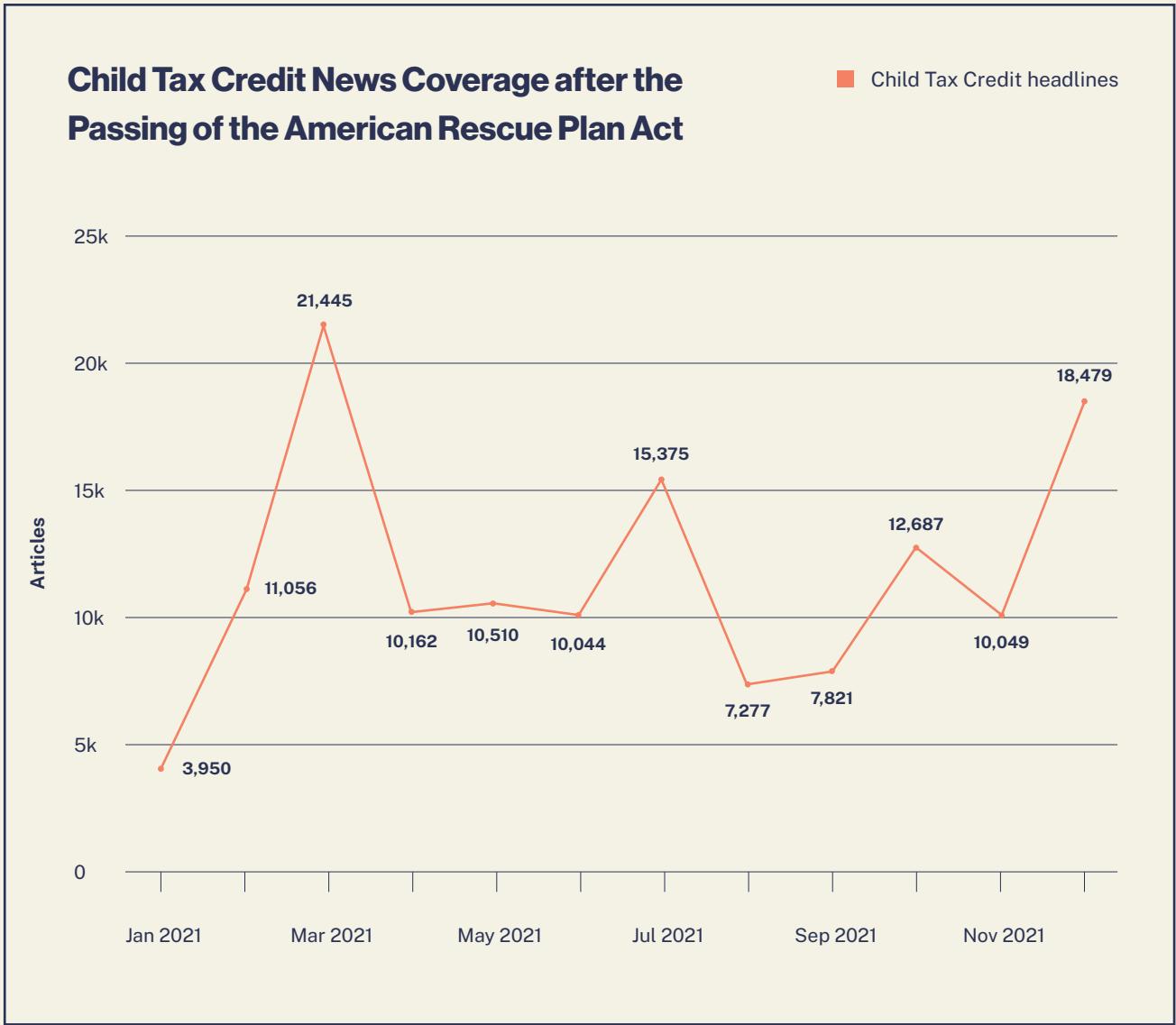


Kamala Harris  
U.S. Vice President

That’s how Vice President Kamala Harris started her remarks on July 15, 2021, at the “Family Matters” virtual rally that culminated the Week of Action, a weeklong series of events across the country to celebrate the arrival of the first monthly checks. At the rally, organized alongside dozens of partner organizations, we heard from not just the sitting Vice President, but multiple senators, members of Congress, an NFL star, domestic workers organizers, inspirational activists, a Secretary of Health and Human Services and a former Secretary of State. The Family Matters virtual rally would go on to win four Anthem Awards, a recognition by the widely renowned

Webby Awards to celebrate mission-driven projects — bringing home gold medals for Best Strategy and for Best Influencer Endorsement, and two silvers for Best Partnership or Collaboration as well as Best Event.

That morning, President Biden gave public remarks kicking off the arrival of these checks and posted about the transformative nature of the policy — setting the tone with the accurate prediction that the new Child Tax Credit would “spur the largest-ever one-year decrease in child poverty in American history.”



That day, “#ChildTaxCredit” never stopped trending on social media. The internet was filled with joyful posts and plenty of surprised parents. Comedian Tracy Morgan even made a hilarious video with Common Sense Media to mark the occasion.



It was a fitting culmination to the [Week of Action](#) that coincided with the arrival of the first checks — 25 events in 15 states, involving 12 members of Congress and Health and Human Services Secretary

Xavier Becerra. This Week of Action resulted in coverage in over 100 local news outlets — on top of several national headlines celebrating the arrival of the first payments to parents, like this one in CNN:



CNN

AUGUST 12, 2021

**The child tax credit may be helping ease economic hardship after just one round**

By Tami Luhby

You couldn't have asked for a better start to the efforts to shine a light on the monthly payments coming to parents across the country. And in the weeks to come, the mid-month delivery of the checks provided a natural hook to bring the impact of the expanded Child Tax Credit home to the public — with events, social media campaigns (with heavy involvement from Democratic members of Congress), and earned media. Other high-profile figures would add their voice to the cause, including [Eva Longoria Baston](#), [Sarah Silverman](#), and [Kerry Washington](#) (who even built out her [own site](#) to help families track down the money they're owed.)

To ensure we could reach parents where they actually are online, we engaged social influencers to help amplify the basic facts behind what the expanded Child Tax Credit is, why it's happening, and how to make sure you can get it for your family. Coalition partner Community Change invested in a [TikTok-specific strategy](#), which yielded over 400,000 views and created an organic celebration of parents receiving the checks on the fastest-growing social platform, leading to headlines like this in Slate:



SLATE

JULY 16, 2021

**The Child Tax Credit is blowing up on TikTok**

By Jordan Weissman

In case people missed any of that amplification, ESP Action helped shine a light on it with a seven-figure multimedia ad and direct mail campaign aimed at driving home the point that the Child Tax Credit was helping all families succeed, by using parents' own words.

It didn't take long for monthly check parties to evolve naturally into occasions for making the case for the expanded Child Tax Credit

to be made permanent. In the fall of 2021, as the Build Back Better Act was making its way through congressional committees, our job was to keep success stories in the news and parents' testimonials in the ears of lawmakers in D.C. That included amplifying these success stories in key legislative states. Along with Community Change, we put parents' testimonials on the air in [Georgia](#), [Montana](#), and [Arizona](#).

At the end of the day, lawmakers' support for direct cash policies like the CTC comes down to trust. Lawmakers need to understand that their constituents know their own needs, and that they will spend no-strings-attached cash in ways that help them to thrive. That's where organizing comes in. When politicians hear from real people on how unrestricted cash gives them stability and freedom, they have a much easier time supporting it.



Pedro Morillas  
Director of State Campaigns of Economic Security Project



## Making the case for extension

Nearly the entire House Democratic caucus voted for the Build Back Better bill, which extended the expanded Child Tax Credit for a year and made full refundability permanent, while restoring eligibility to immigrant children. But once the Build Back Better agenda stalled in the Senate thanks to objections from Sen. Joe Manchin and monolithic opposition from the Republican minority, the writing was on the wall that the expanded Child Tax Credit would expire at the end of the year. Efforts turned to measuring the political fallout of such inaction,

and making sure that the issue was on the agenda for the midterm elections — all while pursuing the legislative threads to revive the program. Behind the scenes, our coalition was working closely with congressional champions and the White House to make the Child Tax Credit a priority in the lame-duck session.

That effort to extend the expanded Child Tax Credit was a full-court press. Below we dissect our work into four tactics: the grassroots game, the inside game, earned media, and paid media.

✦ **We’ve always expected that support would grow as checks keep coming [and] awareness grows.**



**Adam Ruben**  
Vice President of Campaigns and Political Strategy of Economic Security Project

### The Grassroots Game

The objective was straightforward: Make sure there’s a steady drumbeat of parents calling for monthly checks to restart. We adopted the slogan “Keep Families Afloat” around several events and days of action organized to convince lawmakers to do just that — even in the months before the expansion expired — ensuring that Congresspeoples in key states knew that parents were paying attention. (That slogan would later be adopted by [an initiative](#) made up of parents, elected leaders, and former government officials

the following year in a long term push for the reinstatement of the credit.)

We also held a day of action on January 14, to mark the first month without a Child Tax Credit payment — and promoted the hashtag #WheresMyCheck — which resulted in over 7 million impressions across social media, as well as coverage in local media outlets in Arizona, California, Colorado, Georgia, Maine, Montana, and Texas.

### The Inside Game

Over two years, our newly formed coalition pulled off several impressive feats — not least of which was building itself into the broad and deep coalition that it was, capable of regularly flexing its muscles with key lawmakers and the White House. Influential constituency groups from all corners — [racial justice organizations](#), [labor unions](#), [child advocacy](#) and [anti-hunger groups](#), [military families](#) and [veterans advocates](#), [small businesses](#), [faith groups](#) — signed on to the coalition with letters stating clearly that they stood behind extending the expanded credit, demonstrating how closely they were aligned on this issue. When the House passed the Build Back Better Act, our team rallied to purchase [thank-you ads](#) for these key allies who helped make it happen.

But it wasn’t just about showing lawmakers exactly who is on Team CTC. It was about demonstrating the political benefits for lawmakers who supported it, and the ramifications for those who opposed it. Our partners regularly conducted and circulated polling that showed how voters — particularly parents/recipients — felt about lawmakers who were actively fighting for the Child Tax Credit. As the midterms were starting to heat up, ESP Action launched a new incarnation of Keep Families Afloat, with a steering committee of political notables, as an initiative to make the Child Tax Credit a key issue

in the November elections. Keep Families Afloat endorsed key allies, held opponents accountable, and published data that demonstrated the importance of the Child Tax Credit in the election. (More on that later.) Among the key projects Keep Families Afloat took on was a national modeling of Child Tax Credit voters: a rigorous analysis of the voter file that identified key voters who were most likely to be moved by a strong pro-Child Tax Credit message.

Meanwhile, we worked closely with the White House and our champions on Capitol Hill to keep the focus on a slim window for extension in the lame-duck session. We knew the post-election timeframe was a window in which lobbyists were looking to pass a set of research-and-development tax breaks for big corporations, and we strategically decided to tie the CTC extension to these corporate tax breaks. With allies in Congress, we were able to draw a firm line in the sand that no corporate tax breaks should pass without an extension of the expanded Child Tax Credit. Lawmakers and advocates reinforced that message time and again, most notably when Sen. Sherrod Brown told a reporter he’d “[lay down in front of a bulldozer](#)” on that principle, and we blocked an effort to pass the corporate tax breaks, both on their own and attached to other legislation, during the summer.

✦ **No more tax breaks for big corporations and the wealthy unless the Child Tax Credit is with it. And I will lay down in front of a bulldozer on that one.**



**Senator Sherrod Brown**



With Republicans winning back the House in the November elections, the negotiations around the omnibus package in December presented a clear, final hope of passing a near-term extension. We helped spearhead a letter signed by 58 members of Congress, insisting that corporate tax breaks would not pass without the Child Tax Credit. In the end, thanks partly to our coalition’s organizing, virtually all congressional Democrats publicly supported the view that the Child Tax Credit must be included in any end of session tax package.

On December 7th, 2022, in the final weeks of the 117th Congress, the work we’d put into this campaign over nearly two years was on full

display. First, we helped pull together an in-person meeting at the White House with some of President Biden’s most senior advisors, along with racial justice, civil rights, and labor leaders who have led on the issue. At that meeting, the White House team confirmed that the President agreed with our line-in-the-sand — and we proceeded to strategize together on how to drum up momentum in Congress. Later that day, on the other side of Pennsylvania Avenue, we organized a rally with Community Change and MomsRising in which our six strongest Child Tax Credit champions in Congress delivered powerful remarks in front of a fleet of media on Capitol Hill.

**Paid Media**

During the midterms, the Keep Families Afloat initiative became the primary vehicle reaching voters directly. And it delivered.

Keep Families Afloat took out a six-figure buy in key Senate races in Georgia, Pennsylvania,

Nevada, and Ohio, putting the Child Tax Credit front and center. Two ads in particular hit home. The first featured a heartbreaking story from a mom forced to pawn the earrings her late husband had given her daughter:



A second ad let kids explain why the Child Tax Credit was so powerful at helping families pay for basics like gas and food.

The data suggest that these ads were highly effective. Data partner OpenLabs ranked one in the 85th percentile of Democratic Senate ads they tested. Testing by partners Civis Analytics and Bully Pulpit Interactive, found that our best ads shifted Senate vote choice among likely voters by 6-7%, and among an audience modeled to predicted Child Tax Credit supporters by an outstanding 15% — among the strongest movement they’d seen

all cycle. In three of the four targeted races, the Child Tax Credit champion prevailed — each by extremely slim margins. It’s reasonable to believe that Keep Families Afloat’s messaging had an impact on the final outcome.

In the lame-duck session fight, our effort evolved. We tapped into our [influencer network](#) to spread the word about what was at stake. At a time post-election when most voters had stopped paying attention, our influencer-led campaign boosted awareness, helping to re-center the conversation and keep pressure on Congress.

Earned Media

While our paid media strategy was focused around key moments in the election cycle, our earned media strategy was sustained consistently over the course of the entire campaign. In fact, we began earned media outreach geared to extending the Child Tax Credit even before the first checks were delivered. The more CTC success stories that popped up left and right, the more pressure lawmakers would feel not to let it expire. Parents spoke out in op-eds and letters to the editor,

especially in key legislative states. (Oh look, it's an [Arizona mom on Good Morning America!](#)) The intrigue around whether Congress would extend this "lifeline" became [national news](#).

When the checks stopped, the press was primed to tell the story the way we saw it, through the eyes of the parents who had come to rely on those monthly checks. This was the AP headline:



AP

JANUARY 14, 2022

**Goodbye ‘godsend’: Expiration of child tax credits hits home**

By John Raby, Fatima Hussein and Josh Boak

As data continued to show the undeniable impact that the Child Tax Credit had made in just six months, we turned to the press to provide a drumbeat of stories that put real heat on congressional leadership. In May, [Columbia University](#) found that monthly payments help lift one-third more children out of poverty than the same investment made on an annual basis. Our [co-authored op-ed](#) landed in *The Hill*, surely reaching the eyes of legislative staff and members of Congress. Think pieces regularly sang the praises of the CTC, like this [New York Times piece by Farhad Manjoo](#), which called the Child Tax Credit a “quiet revolution” in social policy.

When inflation became the centerpiece not just of Republican attacks on Biden and congressional Democrats, but also of the national media’s coverage of the election, we mobilized to ensure that no intellectually honest person could put the blame at the feet of the Child Tax Credit. We helped organize a [letter signed by over 100 economists](#) who went on record saying that “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.”


✦ I was talking to one of our moms and asking her what was she going to do with her first check. And she said, I am going to go help my boys pick out their backpacks.



Aisha Nyandoro  
Founder and CEO, Springboard to Opportunities  
On NPR “All Things Considered” Sep. 2021

Because polling plays a big role in driving the narrative among influential players. ESP Action commissioned and partnered on a number of surveys, including several early on to help advocates and Hill champions message the credit effectively. A [Democracy Corps poll](#) showed that the Child Tax Credit could be a winning issue for those who visibly fought for it. The Keep Families

Afloat initiative framed the results of the polling clearly for candidates: “Silence on this issue is not simply neutral — it is actively hurting their standing with likely voters, especially parents.” By the fall, public opinion on the expanded Child Tax Credit was crystal clear. In a [Lake Research Partners survey](#), 75% of voters favored it (including 64% of Republicans!) and only 19% opposed it.



THE HILL

DECEMBER 7, 2022

**Advocates hopeful about getting expanded child tax credit over lame-duck finish line**

By Tobias Burns





Vox

DECEMBER 5, 2022

## Inside the fight for an end-of-year deal on the child tax credit: How Republicans' disappointing midterm performance changed the politics

By Rachel M. Cohen



After our and our partners' diligent efforts all summer and fall to make the Child Tax Credit a central topic in year-end congressional dealmaking, the effort paid off: the vast majority of [coverage of the lame-duck session](#) often included, and sometimes centered on, negotiations around the Child Tax Credit. Some

called it a "[Hail Mary](#)" play. And when Congress didn't include the CTC extension in the omnibus bill they ultimately passed, [the news](#) often mentioned this failure, as well as Congress's failure to pass the R&D tax breaks that corporate lobbyists had fought for, which we had linked to passage of the CTC extension.

### How it all played out

Despite our best efforts, the undeniable success that was the expanded Child Tax Credit has expired — at least in the immediate term.

Our strategy focused first on amplifying the human stories of success; we tried to put in front of lawmakers and the general public the positive impacts of the policy — effects that were dramatic and almost instantaneous. We also spread the word about how people could access the money the government was investing, thereby improving

both people's everyday lives and amplifying the narrative that the policy was working successfully.

Because the expansion was set to expire in just six months, we were forced to pivot quickly from amplifying success stories and spreading the word about accessing the credit, to a legislative message focused on advocating for making the expanded credit permanent. Looking back, if we'd had more time to celebrate success stories, and for more stories to accrue, we could have made

a stronger case. If there'd been more time, more data would have accrued on the benefits that the expanded Child Tax Credit was incurring for the economy, for the health and stability of families, and for the wellbeing of communities. But time was limited. And in the end, we had to watch the federal government first help lift millions of children out of poverty and then tragically, just let them sink back into it.

Once Congress allowed the expanded Child Tax Credit to expire, our mission turned to ensuring that the issue remained top of mind for voters, and in turn lawmakers, who had a small window to win a vote for expansion after the election. Bolstering our champs in Congress, softening the ground for legitimate bipartisan negotiations, strengthening the resolve of representatives who had made the expanded Child Tax Credit a reality — we had to do

all of this in a six-week window after the election, when voters were less engaged.

The story of the 2022 midterms is a historical anomaly — voters bucked decades-long trends and widespread expectations of a "red wave." Democrats lost control of the House, but just barely, and despite predictions of a double-digit Republican majority. And Democrats actually flipped a seat to bolster their slim Senate majority — with John Fetterman of Pennsylvania, who ran on an unabashedly populist economic message that centered on, among other issues, restoring the expanded, monthly Child Tax Credit. It's impossible to ascribe an electoral outcome to any one issue, but the data is clear that the Child Tax Credit moved voters; candidates who championed this policy prevailed in tight races.



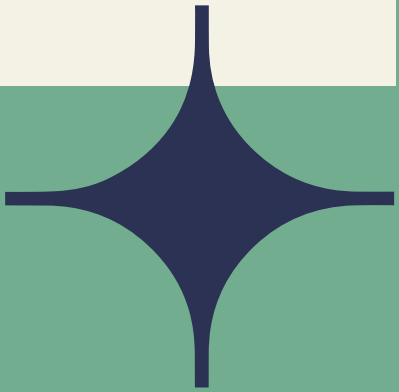
It nearly all came together in the lame-duck session. The window opened, ever so slightly, for a potential bipartisan deal to extend the Child Tax Credit. And it came down to the wire. We now know that Senate Minority Leader Mitch McConnell was getting pressure from his own caucus not to hand President Biden another bipartisan victory on an issue that the most

extreme Republicans opposed. At the end of the day, the expanded Child Tax Credit lay on the cutting room floor because it could not attract Republican support in the Senate. But so too did the R&D tax breaks that corporations were banking on. The line in the sand, which we helped draw and which our allies repeated at every turn, held.



“

**The expanded Child Tax Credit lay on the cutting room floor because it could not attract Republican support in the Senate. But so too did the R&D tax breaks that corporations were banking on. The line in the sand, which we helped draw and which our allies repeated at every turn, held.**





# Fact vs. Fiction: Why the expanded CTC expired

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The expanded Child Tax Credit remains among the most successful pro-family policies in decades, in spite of the fact that it was only in effect for six months. Yet a sufficient majority of Senators were not moved to renew it. As Atlantic writer Annie Lowery put it: “the quiet demise of the CTC is one of the most baffling things I have witnessed in American politics: no ado about so, so much.”

In the previous section of the report, we explored the choices we made and the strategies we used in the fight for the expanded CTC, and touched on some of the reasons these efforts didn't lead to the CTC being extended. Now let's dive deeper into some of the most prominent theories about why the CTC met the fate it did. Unpacking these theories is far from straightforward — multiple valid explanations exist and play off each other. Let's do our best to separate reality from myth.



## The CTC Wasn't "Cool" Enough. Did it matter?

Let's face it. To most Americans, tax policy is a snoozefest.

In an agenda that included voting rights to save our democracy, student debt forgiveness, massive climate and infrastructure investments, cutting the costs of prescription drugs, and of course combatting a global pandemic, a tax credit may have felt like low stakes.

Never mind that the policy itself was ground-breaking; sending monthly checks — cash with no

strings attached — to nearly every parent in the country was a gigantic shift from the status quo.

But some argue the name itself was boring at best and confusing at worst. And because the program was so ambitious in scale, in the critical first weeks, Hill staff were hearing just as often about implementation questions as they were about success stories. And voters, especially non-recipients, found it hard to get fired up on an issue that sounded like you needed an accounting degree to understand it.

✦ **For many, the ‘boring’ brand of the Child Tax Credit is a feature, not a bug.**

But was stodgy branding the reason congressional leaders couldn’t wrestle together the votes to keep the expanded Child Tax Credit alive? Perhaps it didn’t help — but this explanation doesn’t fully pass the smell test.

For many, the “boring” brand of the Child Tax Credit is a feature, not a bug. Cloaking transformative social policy in drab window dressing is an unstated part of the Biden administration’s brand, because when a program’s not “sexy,” it’s also very hard to make it controversial. Hence the polling that showed a majority of Republican voters supporting it. In fact, precisely because of its popularity among

their constituents, Republicans never focused their attacks on the issue — and it never registered on the *Things I Should Be Angry About* meter. And for what it’s worth, as boring as tax credits sound, they consistently poll very well, both the concept and the names themselves. The tax credit branding helps persuade voters that the money is deserved, rather than some kind of “handout.”

Further, the Child Tax Credit was already an established, popular brand among lawmakers, which is likely what allowed advocates to get it included in the American Rescue Plan in the first place.

**Was the program too confusing?**

A second, related theory is that the expanded Child Tax Credit never really became popular among recipients — at least not enough to shift political winds — because it was a bit confusing for recipients. Even in a best case scenario, it would have been hard to expect regular people to create the groundswell to get a program extended that wasn’t a hot-button issue and wasn’t being touted by the lawmakers who created it, especially when you consider that the 39 million families affected by the program isn’t quite one-third of households in America.

On top of that basic challenge, a lot of recipients may not have fully understood the credit. We were delighted to see so many parents post on social media, giddily surprised to check their bank accounts to see an average of \$444 per month from Uncle Sam. But unpack that further, and you see that many recipients were somewhat confused by the payments. [Surveys](#) found that it took two or three months for the average recipient to understand what these payments were and why they were receiving them. This could help explain why the Child Tax Credit wasn’t as deeply popular as it otherwise could have been.

That initial confusion invited rumors and skepticism. We heard frequent chatter (even from some self-described tax experts) that people should reject advance monthly payments because they’d end up owing more at tax time, a claim that is complex to fully explain, much less refute.

Making matters worse, many never viewed these funds as potentially permanent. They saw them as part of a set of temporary pandemic-relief measures. That’s a fair conclusion, considering that the monthly payments were set to expire after six months, and were included as part of the American Rescue Plan, which included dozens of programs centered on public COVID interventions, like vaccine funding and distribution and a third stimulus check.

All of this provides compelling explanations for why millions of voters didn’t immediately rally around the expanded Child Tax Credit and demand that it be made permanent.

**But real data actually contradicts the idea that the expanded Child Tax Credit wasn’t popular or politically salient among recipients.**

A June 2022 Greenberg Research survey found that recipients favored the policy by a 40-point margin (61% - 21%), while it had a 10-point net favorability among all registered voters. And that poll concluded that Democrats needed to make the Child Tax Credit a centerpiece of their agenda to win over key voters.

Still, even as the families who benefited from the expanded Child Tax Credit overwhelmingly supported the program, it seems likely that their political response was more muted than hoped. By Election Day, the monthly payments had been absent for longer than they were in effect. And perhaps it’s unreasonable to expect these parents to become forces to be reckoned with. As Rep. Rosa DeLauro told Lowery for *The Atlantic*: “For people to suddenly become political activists? Christ, they’re just surviving.”

✦ **For people to suddenly become political activists? Christ, they’re just surviving.**



**Representative Rosa DeLauro**  
To *The Atlantic*



Inflation and a Tenuous Economy: Don’t Blame the CTC

By the end of the temporary expansion of the Child Tax Credit, another issue had emerged on the national political scene: inflation.

Not only did this pose a challenge to American pocketbooks, as the cost of basics like gas and food stretched budgets, but some conservative voices succeeded in promoting the narrative that unbridled government spending (especially on domestic programs) was to blame. The media, eager to reflect the angst of the populace, helped reinforce that premise, and some homed in on the Child Tax Credit. This January 2022 op-ed by Henry Olsen in *The Washington Post* captured one prevailing sentiment: “The recently expired expanded child tax credit pumped money directly to consumers, too. The result: record-high consumer spending despite employment still below pre-pandemic levels.”

And Americans believed it: An October 2021 [Morning Consult poll](#) showed that 62% of voters

blamed Democrats’ spending for inflation. Of course, this explanation conveniently ignores the fact that rising inflation was a [global phenomenon](#) in the wake of the pandemic.

Still, the hogwash analysis had a demonstrable chilling effect on some Democratic lawmakers. Once coverage of, and negotiations around, the Build Back Better Act centered primarily on the overall 10-figure price tag, rather than the substance of the policies within, the bill was effectively doomed. Senate Democrats like Joe Manchin publicly called for reining in spending due to inflation. Erroneous arguments like this would eventually lead [over 200 economists](#) to publicly correct this misconception — explaining that not only is the expanded Child Tax Credit too small to “meaningfully increase inflation across the whole economy,” but it was large enough to “make an important difference for family budgets, especially families in the bottom half of the income spectrum.”

✦ **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.**

A letter from over 200 leading economists

A more tenuous economy also allowed other talking points not borne out in the facts to gain traction. Many opponents, without data, repeated claims that the credit discouraged recipients from getting jobs. ([Data later showed](#) that employment rates among recipients, in fact, did not differ from rates among non-recipients.) While the fate of a Child Tax Credit was being negotiated in the Senate, Manchin opposed an extension without work requirements — a measure that was not only unnecessary, but that would nullify some of the most positive outcomes of the credit while excluding households where children’s guardians were working full time as caregivers or were unable to work.

Democrats Didn’t Fully Bully

One could fairly argue that fear of inflation and desire to avoid blame for an economic downturn contributed to Democrats’ failure to fully embrace the success of the expanded Child Tax Credit. But the marketing strategy was far from straightforward even earlier, from the very outset of the program.

There was the program’s somewhat muddled branding, which we alluded to earlier. The program’s advocates, even at the White House, repeatedly referred to the program by different names: the CTC, the “child *care* tax credit,” a massive middle-class tax cut, and the “Child CTC” (as it appeared in recipients’ bank statements). Democrats never landed on one way to name the program, much less sell it. That lack of a cohesive messaging strategy may have only added to the previously mentioned confusion among families.

It’s true that economic uncertainty was rampant in the period directly surrounding discussions of extending the expanded Child Tax Credit. Most impartial observers agreed that rising prices would hurt the White House and Democrats politically. The zeitgeist, though in many ways flawed, provided cover for Manchin to oppose the policy. And it certainly gave Republicans ammunition to blame economic anxiety on their political opponents.

That explanation, however, falls short in the context of the midterm election results — in which voters did not appear to blame Democrats overly much for rising prices.

All in all, the marketing around the expanded Child Tax Credit felt like something of an afterthought, not nearly at the scope and scale needed to help people understand what they were getting, why, and from whom.

For example, the administration didn’t prioritize taking credit for the checks. Whereas Donald Trump slapped his signature on the stimulus checks sent in the first year of COVID, the Biden White House opted against doing the same on the monthly advance payments. The White House and Capitol Hill were less focused on taking credit and more on the policy victories around poverty — a focus that likely didn’t resonate with most people in the way that stimulus checks had. The government announcing that it’s sending checks to families feels tangible and personal, in a way that the government announcing that it’s tackling poverty does not.

## ✦ Joe Biden could have signed his name on every check sent to families. The White House opted against it.

Moreover, the administration was reluctant to make a hard publicity push. There wasn't much of a celebratory drumbeat around each month's payment, despite best efforts from allied organizations and champions on the Hill. The administration's quietness was rooted in political calculus, to avoid rankling Sen. Joe Manchin, lest he sidetrack the full Build Back Better agenda. But this hesitancy contributed to a muted sales push, which failed to make the program quickly and widely popular, as early surveys showed.

That early polling helped drive a perception that the Child Tax Credit just wasn't that popular, partly due to its comparison with many other wildly popular elements of the Build Back Better agenda. The early polling also suffered from pollsters' initial difficulty in figuring out how to talk — perhaps thanks to a lack of a consistent message from the administration — and overall numbers were dragged down by hostility from seniors and wealthy people, who objected to aspects of a policy that didn't appear to benefit them. As messaging improved, poll numbers followed suit, and some key pollsters came to understand and argue that the Child Tax Credit was powerfully and intensely popular with substantial segments of both Democratic-leaning and Republican-leaning voters.

But in many ways, early impressions of the policy's popularity had been locked in, and many in the political class were no longer open to including the Child Tax Credit as part of their economic narrative, and Democrats were hesitant to campaign heavily on the issue in the midterm elections. Not only did many frontline campaigns resist talking about the success of the program, they also failed to drag their Republican opponents enough for voting against it in lockstep. And after the Build Back Better Act was sidetracked, Democratic operatives saw this setback as one more reason the CTC made for a bad campaign issue.

Of course, by the middle of 2022, the data would show that it was a winning issue — particularly potent among many key voters. Now that we know that Democrats weren't able to persuade enough Senate Republicans for a lame-duck deal, one has to wonder if a more aggressively partisan approach to the issue — focused less on appeasing the opposition and more on highlighting differences around a popular and effective program — would have led to a different outcome, or at least invited more public debate and attention.

## Six Months Really Is Just Not Enough Time

There's some truth to each of the explanations above. The expanded Child Tax Credit is transformative change in work's clothing. It was designed by policy experts and treated by many as one of the smaller programs in a behemoth plan to "rescue" the country. Some political players hesitated to spike the football by overtly celebrating the program before the American people, instead allowing it to fly under the radar. That left recipients largely unprepared for (even if pleased by) what showed up in their bank accounts on July 15, 2021. And in the critical window during which Congress was considering an extension, the media narrative was centered on inflation and whether congressional spending was to blame.

**These were a lot of issues for the expanded Child Tax Credit to overcome in just six months.** And while that was enough time to gather enough data to easily demonstrate the dramatic impact the policy was having on people's lives, it was not enough to fundamentally change the political

climate. The monthly payments didn't last long enough for recipients to come to depend upon them. By the time recipients finally started to understand what the payments were, they were coming to an end. The six-month duration of the payments reinforced the belief among some that this program was just intended as pandemic relief. And if non-recipients understood more about the program after six months, it was likely due to concerns over its price tag.

In spite of all of that, we still got remarkably close to getting it done — in fact, the entire House and Senate Democratic Caucuses (aside from one person) supported the fully refundable, expanded Child Tax Credit. That's a testament to the facts of the case and the undeniable impact that it had in such a short window. Key decision makers in the White House and among congressional leaders understood that, and thanks to an indefatigable coalition of organizations who refused to call it quits, the expanded Child Tax Credit was on the table until the very last votes of the 117th Congress.





# What Comes Next

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Six months might not have been enough to build the necessary political power behind the Child Tax Credit. It might not have been enough time for the credit to become seen as a sustained investment by our democracy that families could understand, rely on and budget around. But it was enough time to generate powerful data that demonstrates the undeniable success of the program. Since the expansion expired over a year ago, new statistics

and analysis have consistently generated headlines — creating a steady drumbeat of positive stories about the transformative policy (and complicated politics) of the Child Tax Credit.

That spotlight has built real momentum that leaves us with a world of opportunity in the years ahead, in spite of our setback with Congress. Here’s how we see the strategy moving forward:

## Federal strategy: playing defense and building power for 2025

With the House under control of Republicans who oppose the expanded refundable Child Tax Credit, our next realistic opportunity to push for an extension won’t be until there’s a new Congress. The crux of the work in the interim is centered on building on that steady drumbeat of success stories, positive coverage, and political support, to ensure we’re in a stronger position by 2025 — when the 2017 tax cuts for corporations and the wealthy, along with a small Child Tax Credit expansion, expire — than we are today.

At the center of that work is continuing to invest in ongoing campaigns among key coalition partners that have strong political footprints. These campaigns have been driving awareness of the program through racial justice, anti-poverty, and children’s and family advocacy lenses. And they’ve been successful, increasing the program’s popularity over the past two years. We must make sure these campaigns continue to get the funding they need for as long as it takes to win this fight.

We’ll need to play strong defense as well. We anticipate that conservatives will make concerted efforts to attack the program in similar ways they attack other “welfare” programs — chiefly by falsely arguing that the program disincentivizes work (despite data to the contrary). We also expect a renewed effort to implement the corporate tax breaks that got shelved when the Child Tax Credit didn’t move forward in the lame duck session. We’ll need to be well positioned to hold the line to ensure that no additional tax breaks for corporations get passed without also passing support for families.

Finally, we need to continue to make inroads with conservatives, like Sen. Mitt Romney and a number of other Republicans, who have demonstrated real interest in finding common ground on expanding the Child Tax Credit. Despite intransigence from party leadership, many conservatives were open to negotiating during the lame duck session last year, and we believe there is real promise in pursuing this in the months and years ahead.

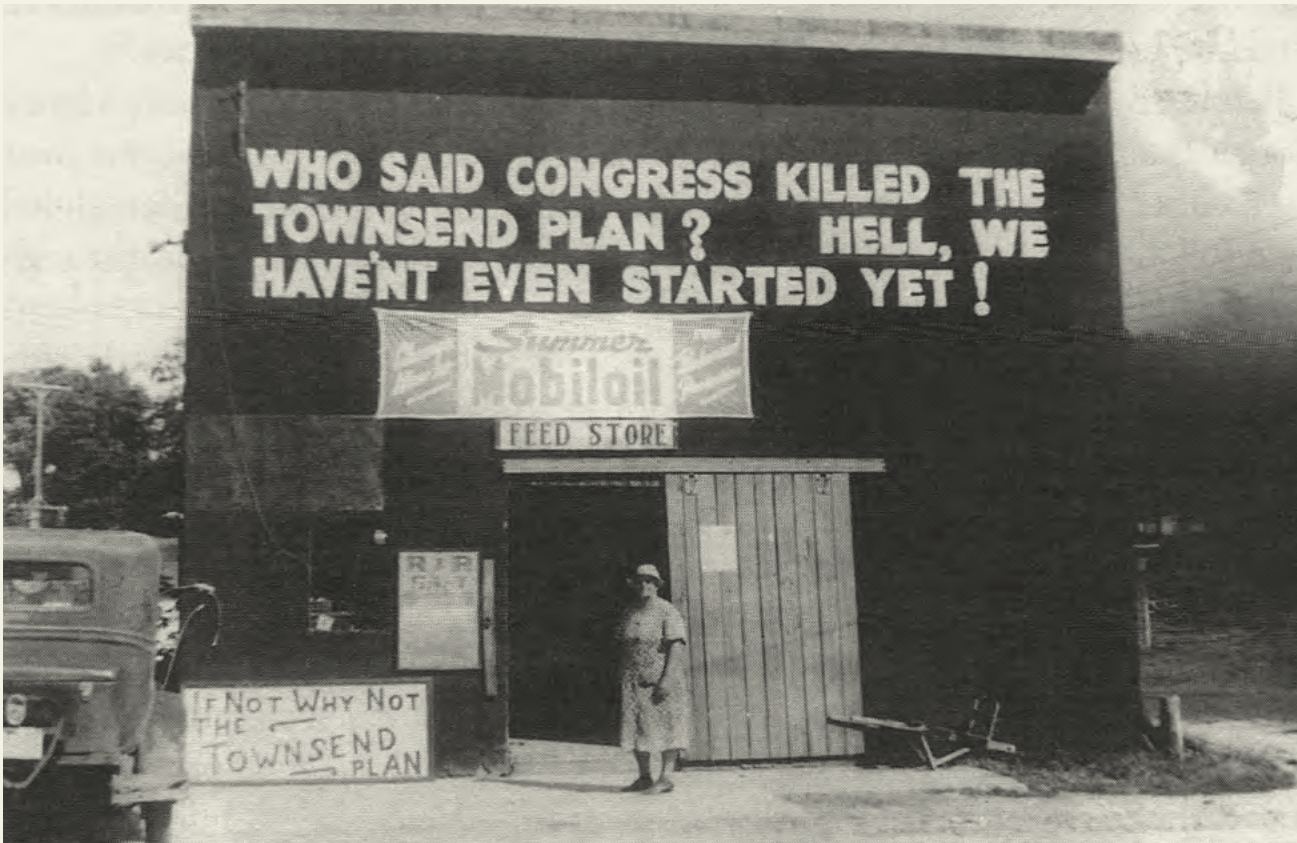
State strategy: Progressive Federalism

Meanwhile, we have an opportunity to double the number of child tax credits on the books at the state level. Our team and coalition partners have identified close to 20 states that are poised to create or expand their child tax credit. And in a fast-shifting legislative environment, there are other states where campaigns may well come together.

By complementing our support of traditional budget advocacy groups with investments in groups that can hire organizers and build people

power on the ground, we won't just be increasing the chances that we win many of these state-level fights. We will also be building the number of people who are ready and willing to make a concerted push at the federal level when the next opportunity arises. An investment in state-level fights is also an investment in winning federally.

We might also see the first-ever statewide ballot measures focused on child tax credits. Both Maine and Nebraska are exploring the potential



A homemade sign over a feed store indicates local support for The Townsend Plan, a proposal that preceded the Social Security Act. Despite numerous legislative defeats, the wider movement for old-age pensions resulted in a shifting of the social contract.

Source: Edwin Amenta

for turning the question over to voters if they cannot win in the legislature — presenting us with an exciting opportunity to experiment with new tactics, build coalitions and lay the groundwork that tests the viability of this approach wherever legislative efforts fall short.

This focus on the state level harkens back to the history of the passage of Social Security. From 1930 to 1935, in the wake of the Great Depression, as many as 30 state governments experimented with pension programs for the elderly, but with

extremely limited state budgets. This patchwork of programs provided an inspiration and impetus for the Social Security Act, which — in some ways similar to the expanded Child Tax Credit — combatted intense income inequality and economic change by fixing a broken system with cash.

The history of Social Security provides a roadmap for a permanently expanded Child Tax Credit. By proving its feasibility, necessity, and popularity, state legislatures can pave the way for a stronger national program.

Public opinion strategy: refreshing how the field talks about cash

Early on, ESP engaged in several opinion research efforts to help shape our understanding of the political climate and public opinion around cash and guaranteed income — as well as around the Earned Income Tax Credit and the Child Tax Credit. That work laid the foundation for the campaigns we have built.

The world has changed dramatically in six years. The COVID-19 pandemic flipped these issues on their head and pumped new excitement and viability into cash investment programs. It provided the opportunity to pass broad expansions of the Earned Income Tax Credit and Child Tax Credit in 2021, and all these programs generated loads of new data that can be used to bolster future efforts. People's views on these issues also changed — to the point where, in the midst of a heated midterm election, even a majority of Republican-leaning voters reported feeling favorable about the expanded Child Tax Credit (which had been passed along partisan lines).

In this window before the next national vote on the Child Tax Credit, we need to review and build on much of that foundational research — qualitative and quantitative, both at the national level and in key states — as well as explore the public opinion landscape on key, old-line attacks we anticipate encountering (e.g. concerning work and inflation). This could help inform the next several years of our federal work, advance our field building efforts, and provide narrative and messaging ideas for groups running campaigns at the state level.

At the end of the day, this ongoing research will be vital to persuading a wide range of ideologically diverse coalition partners and lawmaker champions to coalesce around a cohesive pitch for the Child Tax Credit, with strong message discipline.



Room for Expansion

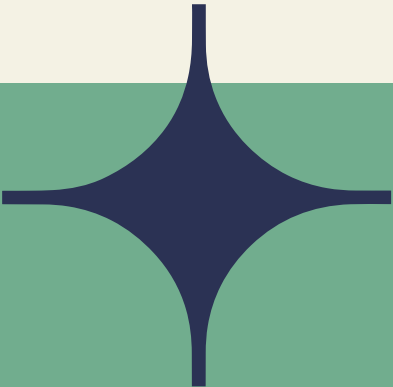
We’re proud of the coalition that came together in support of the expanded Child Tax Credit, but there’s a lot more work to be done to build deeper relationships and create stronger allies for the fights ahead, as well as to bring to the table new sectors that have demonstrable connections to the issue but haven’t yet been invited to join the fight. In particular, we could reach out to community safety and criminal justice reform advocates, as we’ve seen direct monthly cash payments contribute to decreased violence in communities. We want to make inroads among doctors and public health organizations, who can speak to the positive health outcomes for children

in households that are more economically secure. We want to deepen engagement with racial justice groups, military families and veterans, anti-hunger groups, and religious communities. We believe we can work with realtors (whose members include many parents, especially single mothers) and other sectors of the business community, such as the mortgage industry, which has supported similar efforts that help more people afford to buy homes. Finally, we must place a priority on continuing to build strong relationships with organized labor, whose memberships comprise millions of parents and whose advocacy capacity is strong.



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**These next campaigns must start today — at both the state and federal level — because historic victories are within our reach.**





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