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New Data from Federal Reserve Shows How Americans Are Seeing Increased Financial Strain After Expiration of Expanded Child Tax Credit

Last year's report showed us how the monthly Child Tax Credit played a role in maintaining financial stability amidst a global crisis and this year's data shows how quickly that stability erodes when those programs are taken away

Washington, DC – Today, the Federal Reserve released its annual [Survey of Household Economic Decisionmaking](#) (SHED), which revealed that in October 2022 37% Americans are unable to cover a \$400 emergency expense entirely using cash or its equivalent. After the release of the Fed's report, **Economic Security Project's Vice President of Campaigns and Political Strategy Adam Ruben** released the statement below:

“Since 2013 we have seen the number of people unable to cover an unexpected emergency with cash, or its equivalent, decrease each year – with the only real interruption in that trend when financial security increased significantly for a short time while stimulus checks were going out during COVID. This improvement continued in 2021, largely because of cash programs such as the expanded monthly Child Tax Credit. But since the credit expired in 2021, families are feeling the strain of rising costs and economic uncertainty. Today's SHED data reveal that the share of people who were unable to entirely cover a \$400 emergency with cash or its equivalent increased from 32% to 37%.

“Today's data makes clearer what many of us have already known: 37% of people being unable to cover emergency expenses like an unexpected illness, car repairs, or a surprise bill is far too many people living in a precarious economic environment.

*“Earlier this year, the White House redoubled its efforts and pledged to fight to revive the expanded monthly CTC, which provided families with an average of \$440 per month. Families used this money to meet whatever needs they were facing – whether it was groceries, school clothes, or getting the car fixed. We are looking forward to working with champions in the House and the Senate to introduce new legislation to do so. Make no mistake, some in Congress are still trying to pass corporate tax breaks, but we shouldn't pass more corporate tax breaks without tax breaks for families. **Today's Federal Reserve SHED data underscores the need for all Americans to have economic stability, and that starts by reviving the expanded Child Tax Credit.**”*

For more information or for media inquiries, contact press@economicsecurityproject.org.

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Economic Security Project mobilizes resources and people behind ideas that build economic power for all Americans. As an ideas advocacy organization, we legitimize our issues by supporting cutting edge research and elevating champions, win concrete policy victories for the communities that need to see change now, and provoke the conventional wisdom to shift what's considered possible. Our team of academics, organizers, practitioners and culture makers disburse grants, run issue campaigns, develop creative interventions and research products to support the field, and coordinate events to encourage investment and action from others. To learn more, visit <https://economicsecurityproject.org/>.