

# BUILD BACK BETTER ADVANCES EQUITY FOR CHILDREN AND FAMILIES

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The **Build Back Better Act** includes a comprehensive set of policies that will advance racial equity and invest in our nation’s children, families, and economy.<sup>1</sup> In the midst of a national care crisis, families need investments across care programs, including investments in child care, tax credits, and paid family and medical leave. These programs are all crucial and address unique and urgent caregiving and economic needs. When combined with funding for health, mental health, nutrition, and good jobs—along with a pathway to citizenship—they are essential to delivering an equitable economic recovery for all. Here’s how the BBB Act’s investments in care will help children and families:



## EXPANDS ACCESS TO AFFORDABLE, HIGH-QUALITY CHILD CARE AND PRE-KINDERGARTEN FOR YOUNG CHILDREN

**Cuts child care costs.** On average, families living in poverty can spend 30% of their income on child care.<sup>2</sup>

**The BBB Act will ensure that no family pays more than**



of its household budget on child care.

**Supports more children with high-quality child care and pre-K.** The Act’s investments will reach over

**8 million children**

—more than 11 times those currently served.<sup>3</sup>

**Raises wages for early childhood educators.** The child care workforce—disproportionately women of color—are underpaid and undervalued.

**The average annual income for child care workers in 2020 was**

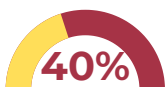
**\$25,000,**

just above the federal poverty level.<sup>4</sup>



## IMPROVES THE CHILD TAX CREDIT TO KEEP MILLIONS OF CHILDREN OUT OF POVERTY

**Cuts poverty nearly in half and reduces racial disparities.** The expanded and fully refundable Child Tax Credit (CTC) will reduce childhood poverty by



and have the greatest impact on poverty among Black and Latinx children.<sup>5</sup>

**Makes the tax credit more inclusive by restoring eligibility to all children.**

Restoring eligibility to children without Social Security numbers will cover an estimated

**one million children**

in immigrant families who were cut from the program under the 2017 Tax Cuts and Jobs Act.<sup>6</sup>

**Helps families meet basic needs.**

Since July 2021, families have used the CTC’s expanded temporary monthly payments to pay bills and meet other basic household needs.<sup>7</sup> These payments will end unless the CTC improvements are extended.

**Lifts young families out of poverty.**

Even before the pandemic, **3 in 4 young parents under 25** were already living in or near poverty.<sup>8</sup> Making the CTC expansions permanent will transform their livelihoods and speed their recovery from the pandemic.





## CREATES A UNIVERSAL PAID FAMILY AND MEDICAL LEAVE PROGRAM

**Ensures paid leave for all.** All workers will be able to take time to care for a loved one, attend to their own health needs, and welcome a new family member

**without risking their financial security.<sup>9</sup>**

**Strengthens family economic security.** Families lose an estimated

**\$22.5 billion dollars**

per year because they don't have adequate paid leave, and the economy loses trillions in GDP when women's labor force participation is reduced.<sup>10</sup>

**Advances gender and racial equity.**

**Fewer than 10%**

of workers in jobs paying low wages—disproportionately women and workers of color—have access to paid family leave.<sup>11</sup> Paid leave keeps women in jobs and reduces wage loss when caregiving needs arise.<sup>12</sup>

**Improves individual and public health.** Paid leave improves health outcomes for

- ✓ **infants,**
- ✓ **children,**
- ✓ **mothers, and**
- ✓ **workers**

experiencing serious illness.



**Transforms the lives of young adults who care for their families.** More Gen Zers and millennials are providing unpaid care—and doing so while working in jobs less likely to offer paid leave.

**A national program will allow these young people to take paid time off to care for a loved one and attend to their own health needs.<sup>13</sup>**

**Investments in care are essential. By investing across the care continuum, through the Build Back Better Act, America will be on a road to true and equitable economic recovery for people with low incomes, working families, and children.**

## ENDNOTES

1. Estimates in this fact sheet are based on proposals in the U.S. House of Representatives' Build Back Better Act as reported by the Budget Committee. <https://docs.house.gov/meetings/BU/BU00/20210925/114090/BILLS-117pih-BuildBackBetterAct.pdf>
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4. Bureau of Labor Statistics, "Occupational Handbook: Childcare Workers", 2020 <https://www.bls.gov/ooh/personal-care-and-service/childcare-workers.htm>
5. Balmededa J., et. Al., "House Build Back Better Legislation Advances Racial Equity" September 2021, Center on Budget and Policy Priorities. <https://www.cbpp.org/sites/default/files/9-27-21pov.pdf>
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7. National Women's Law Center, "America's Families and the Child Tax Credit: Results from a National Survey of Eligible Parents" September 2021 <https://nwlc.org/wp-content/uploads/2021/09/CTCresearchbrief.pdf>
8. Center for Law and Social Policy, "#WhyWeCantWait Youth Data Portrait 2020," May 2021, <https://www.clasp.org/why-we-cant-wait-economic-justice>
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13. "Caregiving in the U.S. 2020 Reports Caregivers in Poorer Health, Feeling Financial Strain" National Alliance on Caregiving, 2020. <https://press.aarp.org/2020-5-14-Caregiving-in-the-US-Report>