



June 15, 2020

Senator Michael F. Bennet
Senator Cory A. Booker
Senator Sherrod Brown
United States Senate
Washington, D.C. 20510

Dear Senators,

Thank you for your June 14th letter inquiring about the poverty impacts of the American Family Act (AFA) by race and ethnicity.

The answer to your query is short and promising. Forthcoming estimates from a paper we are writing with colleagues for the Century Foundation will show that the American Family Act would cut the poverty rate among Black (non-Hispanic) children by half.

Specifically, the AFA would:

- Cut the child poverty rate by 42%, from 13.7% to 7.9%.
- Cut the poverty rate among Black (non-Hispanic) children by 52%, from 23.7% to 11.4%.
- Cut the poverty rate among Hispanic children by 41%, from 21.7% to 12.9%.
- Cut the poverty rate among White (non-Hispanic) by 36%, from 7.0% to 4.5%.

The estimate for child poverty reduction is slightly greater than our previous runs (42% vs. 38%), as the new estimate is based on the most recent year of data and also reflects an AFA that extends eligibility for the credit to 17-year-olds.

You note that a one-year version of the American Family Act was included in the House passed HEROES Act. Our estimates are against a pre-COVID baseline, which is why we say that the AFA would cut the poverty rate of Black (non-Hispanic) children by half, as opposed to the HEROES Act doing so. With the recession, current child poverty rates could be even higher than our estimates, and the HEROES Act would cut child poverty from this higher baseline.

Please do not hesitate to reach out if we can provide any other estimates for you that may be of use.

Sincerely,

Sophie Collyer
David Harris
Christopher Wimer
Center on Poverty & Social Policy
Columbia University

United States Senate
WASHINGTON, DC 20510

June 14, 2020

Dear Ms. Collyer, Dr. Wimer, and Dr. Harris,

We write to request estimates on the impact of critical reforms to the Child Tax Credit by race.

As you have written, while the current Child Tax Credit is an extraordinarily effective anti-poverty tool, more than one-third of all children—including half of all Black and Hispanic children—fail to receive the full \$2,000 credit because their parents earn too little. One in four households with children receive a partial sum and one in 10 get nothing at all.

Separately, you have estimated that the American Family Act, which would extend the full, larger Child Tax Credit (\$3,600 for kids under 6 years of age and \$3,000 for older kids) to children in households currently left behind and delivery it monthly, would cut the child poverty rate by nearly 40 percent. Last month, the House of Representatives passed the HEROES Act, which includes a one-year version of the American Family Act.

As the United States Senates contemplates future legislation to address the economic devastation of the COVID-19 pandemic, we must develop legislation that is responsive to the deep and structural inequities facing Black families in America. To that end, we write to request your findings on the impact of the American Family Act by race, and specifically the extent to which the expanded Child Tax Credit would cut poverty among Black children.

Thank you for your assistance with this important work.

Sincerely,

Michael F. Bennet
U.S. Senator

Sherrod Brown
U.S. Senator

Cory A. Booker
U.S. Senator