THE CHILDREN'S BUDGET COALITION Investing in Their Future

January 26, 2021

The Honorable Joseph R. Biden, Jr. The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500 The Honorable Kamala D. Harris The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

Dear President Biden and Vice President Harris:

As members of the Children's Budget Coalition, comprising over 80 advocacy organizations dedicated to prioritizing children and families in federal policy and budget decisions, we are writing to urge you to invest in the programs and services critical to the healthy development and well-being of all our children in your first presidential budget request. Over the past few years and, more acutely, as the COVID-19 pandemic and economic fallout rages on, children's programs and priorities have been continually neglected and ignored. We must place children's needs at the top of our priorities in the months and years ahead by committing at least an additional percentage point of federal spending for children – or "1% for kids" – and putting children's spending on an upward trajectory thereafter.

The children's share of federal spending over the past five years has declined by nearly one-tenth, falling from 8.19% in Fiscal Year (FY) 2016 to 7.48% in FY 2020. As a result, we now spend more on interest payments on the national debt than we do on investments in our children. Even outside of the pandemic, child poverty has remained stubbornly high while too many children go hungry, without adequate child care, and lack proper health care. This problem is exacerbated for children from communities of color, which disproportionately have been impacted by the pandemic and were already facing system inequity compared to their white peers. As President-elect Biden notably said, "Don't tell me what you value – show me your budget, and I will tell you what you value." It is clear that over the past several years, children have not been valued in federal budget decisions. We urge you to make it a top priority to change that during your presidency.

In the Obama-Biden Administration's final budget request in FY 2017, the children's share of federal spending was proposed to be about 8.30% – which would have been an inflation-adjusted increase of \$24 billion from FY 2016 levels along with the creation of 16 new programs for children. Conversely, in your immediate predecessor's final budget request in FY 2021, the children's share was proposed to be just 7.31% – the result of an inflation-adjusted \$21 billion cut in children's spending as well as the elimination or block-grant consolidation of 59 children's programs. That one percentage point difference between the Obama-Biden FY 2017 budget and the Trump-Pence FY 2021 budget equals about *\$46 billion* less for kids in today's dollars.

Your first budget request should reverse this trend and restore the children's share to at least what it was in the FY 2017 budget request -8.30% – by adding an additional 1% for kids. While such a sum may seem small, it would equal roughly \$50 billion to \$60 billion, depending on other proposals for the fiscal year.

A one-year increase of at least that size could be achieved by committing to including your campaign policy proposals related to children's needs. For example, a combination of your proposal for <u>child care and</u> <u>universal pre-k</u> (<u>\$325 billion over ten years</u>) in addition to your <u>K-12 education plan</u> (<u>\$600 billion over ten</u> <u>years</u>) likely would be enough to fulfill this goal for FY 2022. Other campaign proposals, such as expanding Supplemental Security Income, passing paid family leave, and investing in housing, could further bolster children's funding. These and other proposals will be important for you to put children's spending on a clear upward trajectory, completely reversing the decline over the past several years.

In addition to these immediate-term goals, we strongly urge you to resist any attempts to renew austerity measures like the discretionary spending caps and sequestration caused by the Budget Control Act of 2011. FY 2022 will be the first year in a decade that appropriators will not have arbitrary statutory caps to operate within, and it is important that these caps not return for the foreseeable future. Budgetary prudence and fiscal responsibility are necessary outside of an existential crisis like COVID-19, and they must not get in the way of needed investments that have been hindered by the discretionary spending caps. There also is some recent evidence from Harvard University economists Jason Furman and Larry Summers that "investments in education and children…repay themselves over time."

As a large coalition of organizations advocating on behalf of children, we strongly urge you to make bold investments in kids as the center of your first budget request. We, as a country, cannot afford to continue to ignore the need to invest in our children's future.

Sincerely,

AASA, the School Superintendents Association American Academy of Pediatrics (AAP) American Federation of Teachers (AFT) Child Welfare League of America Children's Advocacy Institute Children's Aid Children's Health Fund Citizens' Committee for Children of NY Coalition on Human Needs Families USA Family Focused Treatment Association First Focus on Children Futures Without Violence Jumpstart National Association for Family, School, and Community Engagement National Association of Counsel for Children National Association of School Nurses National Child Care Association National Children's Campaign National Diaper Bank Network Partnership for America's Children

Prevent Blindness Public Advocacy for Kids (PAK) Save the Children Action Network Schoolhouse Connection United Way Worldwide YMCA of the USA Youth Development Institute Zero To Three