

House Democrats Introduce Plan to Make Permanent \$300 Monthly Checks to Parents from Biden's Stimulus

The proposal would provide \$250 or \$300 checks monthly, depending on the child's age.

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House Democrats unveiled a bill on Monday to keep the one-year child tax credit expansion, an anti-poverty initiative which formed a major part of President Joe Biden's \$1.9 trillion stimulus plan approved a month ago.

The plan was introduced by a trio of Democrats including Rep. Rosa DeLauro, chair of the House Appropriations Committee; Rep. Suzan DelBene, head of the centrist New Democrat coalition; and Rep. Ritchie Torres of New York.

It would maintain the strengthened child tax credit, increased to \$3,600 per child under age 6 and \$3,000 for kids between 6 and 17. The amount previously stood at \$2,000, and families with little or no tax obligations could not tap into the program.

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Under Biden's stimulus, parents have the option of receiving the payment from the IRS as a monthly check of \$250 or \$300

depending on their children's age. The Tax Policy Center projected in March that 90% of families would benefit from the program, and experts said implementing it would halve the country's child poverty rate.

"We must use this moment to pass the American Family Act and permanently expand and improve the child tax credit by increasing the benefit to families and providing payments monthly," DeLauro said in a statement. "Children and families must be able to count on this benefit long after the end of this pandemic."

Biden is likely to reject permanently expanding the measure in the "American Families Plan" and instead extend it through 2025 at a cost of \$400 billion, The Washington Post reported. It would lapse the same year of President Donald Trump's tax cuts for individuals, a temporary measure in the 2017 tax law.

The White House said a month ago that Biden favored keeping the child tax credit expansion – and the president recently told lawmakers from the Congressional Hispanic Caucus the same thing.

"He said, 'I'd love to do it permanent, but I'm not sure that I can get that through the Senate,'" Rep. Teresa Leger Fernandez of New Mexico told reporters after a meeting with Biden. "You could tell he was interested in making it permanent, that was the back and forth on that."

Democrats are doubling down on efforts to make the measure permanent, despite possible concerns within the administration about its hefty price tag.

"I can see some in the White House raise concerns about cost when you're trying to package a lot of things together in the American Families Plan," one House Democratic aide familiar with child tax credit discussions told Insider. "[Permanence] is more costly than a five-year extension, but child poverty costs this country \$1.1 trillion a year."

The IRS recently said it was on course to begin the stimulus child tax credit payments in July.

The latest proposal in Biden's two-part infrastructure plan will be largely focused on funding childcare and education initiatives like free community college, initiatives to directly aid families.

Other lawmakers are rolling out plans for monthly payments to parents as well. Sen. Josh Hawley of Missouri introduced a measure to set up a new "Parent Tax Credit" to counterbalance the rising costs of childcare. It would not replace the existing child tax credit, and instead supplement it for families earning at least \$7,540 for the prior year.

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