September xx, 2026

The Honorable John Thune
United States Senate
Washington, DC. 20510

The Honorable Chuck Schumer
United States Senate
Washington, DC. 20510

The Honorable Mike Johnson
United States House of Representatives
Washington, DC. 20515

The Honorable Hakeem Jeffries
United States House of Representatives
Washington, DC. 20515

Dear Majority Leader Thune, Minority Leader Schumer, Speaker Johnson and Minority Leader Jeffries:

We, the undersigned national, state, and local advocacy organizations, write to express our strong endorsement of the American Family Act (H.R. 2763/S. 1393). On behalf of the children, families, and communities we support and serve across the country, we urge Congress to make the AFA a cornerstone of its affordability agenda and pass this legislation without delay. The American Family Act (AFA) would significantly expand the Child Tax Credit, which stands as one of the most meaningful, evidence-based paths available to Congress to help families meet the rising costs of raising children, strengthen children's healthy development and well-being, break the cycle of poverty, and honor our nation's fundamental obligation to give every child a fair and dignified start in life. It also represents one of the strongest investments Congress can make in the nation's future prosperity, workforce, and global competitiveness. We urge you to prioritize passage of the AFA, a proven, practical solution to rising costs, that would help families pay for the everyday basic needs that have become increasingly difficult to afford.

The children who would benefit from this legislation live in each and every state and community, their needs are urgent, and their promise and potential are without limit. They are the newborn whose mother lies awake wondering how she will pay for diapers next week. They are the five-year-old whose parents scour community message boards for free school supplies so they can start kindergarten with a new backpack. They are the teenager who works the evening shift at a local fast food restaurant to help their parents make rent and wakes up less than six hours later for high school. Every year of delay leaves millions of families without the resources they need during their children's most critical years of development.

Overwhelming Evidence Supports Passage of the American Family Act

The Child Tax Credit is a tried and tested policy that can help families pay the bills and children reach their full potential. In 2021, the temporary expansion of the Child Tax Credit (CTC) under the American Rescue Plan Act cut child poverty to a historic low of 5.2%, and lifted an estimated 2.9 million children out of poverty in a single year largely by expanding eligibility for the full credit to families with low or no income. Families used the expanded credit to cover rent and utilities, buy groceries, pay for child care, and purchase clothing, books and toys for their children. Peer-reviewed research confirmed: direct income support improves health outcomes, reduces child maltreatment, raises educational achievement, and produces lasting developmental gains, with the greatest benefits accruing to the youngest and poorest children.

When the 2021 expansion expired, Congress chose not to renew it. Child poverty more than doubled, rising to 13.4% by 2024, leaving nearly 10 million children in poverty. That reversal did not reflect worsening economic conditions -- it was the direct result of withdrawing a proven policy. **The tax code gives Congress one of its most powerful instruments to invest in families, and Child Tax Credit (CTC) ranks among the top federal programs contributing to children's health, safety, and well-being.** But the full power of that tool is only unlocked when permanent reforms are designed to reach all children equally.

Rather than restoring the 2021 progress, the "One Big Beautiful Bill" (H.R. 1), signed into law in 2025, moved decisively in the wrong direction. While it nominally increased the maximum CTC from $2,000 to $2,200, that increase failed to keep pace with inflation since the last time Congress increased the CTC in 2017. More fundamentally, H.R. 1 preserved the credit's primary structural flaw: an earnings-based phase-in that denies the full benefit to the families who need it most. Columbia University's Center on Poverty and Social Policy found that close to 30% of children under age 17 were ineligible for the full credit in 2025 because their family income was not high enough to qualify. This represents 19 million children left behind, an increase under enactment of H.R. 1 compared to those left behind under prior law, the Tax Cuts and Jobs Act. The CTC changes under H.R 1 did nothing to reduce child poverty, and under the law a two-parent, two-child family now needs at least $41,500 in earnings to receive the full credit for each of their children.

The children excluded from the full CTC are not a random sample. Columbia University's research shows that 48% of American Indian or Alaska Native children, 45% of Black children, 39% of Latino children, 60% of children with a female single parent, and 35% of children in rural areas are denied the full credit under H.R. 1. In some congressional districts 50% or more children are denied the full credit. These are the very children who need the investment the most

The economic case for action is unambiguous. The National Academy of Sciences, Engineering, and Medicine estimates that child poverty costs the United States up to $1.1 trillion annually in lost productivity, higher health expenditures, and greater criminal justice involvement. These findings reinforce decades of research showing that investments made during early childhood generate some of the highest returns of any public investment. Analysis shows that a permanent CTC expansion could generate more than a $10 benefit for every $1 invested. Research has also found that an extra $3,000 in annual family income when a child is younger than five leads to higher adult earnings, higher graduation rates, and improved health. Finally, improving the CTC also strengthens local economies. Researchers at the Niskanen Center found that extending the CTC for even just one year would support the equivalent of 500,000 private sector jobs.

The 2021 expansion also silenced the argument that expanding the credit discourages work: Columbia University researchers found employment effects were "very small" and "statistically insignificant," while more than 80% of the poverty reduction came directly from full refundability.

In the absence of sustained federal action, states and communities have stepped forward to demonstrate what effective investments in children can achieve. Fifteen states now provide their own Child Tax Credits, with 11 making them fully refundable. Michigan's Rx Kids program provides unconditional cash to families with newborns and has produced dramatic results including increased housing security, reduced food insecurity, improved maternal mental health, and significantly reduced infant maltreatment allegations. The Bridge Project, now operating across 14 states with nearly $100 million committed to providing unconditional cash support to new parents, shows the same pattern with better health outcomes, higher graduation rates, increased earnings, and stronger household stability. The evidence is no longer theoretical, it is transforming lives in communities across the country. Congress holds the tools to bring this to every child in America.

What the American Family Act Does and Why It Matters

The American Family Act would expand the Child Tax Credit so that it provides the regular support families need and all children have the opportunities they deserve-- in line with what parents, community leaders, researchers, and advocates who are part of the Automatic Benefit for Children (ABC) Coalition have called for. It puts a stable source of direct cash into families' hands every month, tackles the specific failures of current law head on, and reaches the children and families most often left without the kind of reliable income support that research consistently shows improves children's lives. Under the American Family Act, the Child Tax Credit:

- **Is fully available to all children who need it**. The AFA eliminates the earnings floor that currently excludes families with the greatest need, so that children in families with low or no incomes receive the full benefit.
- **Is increased to help with rising costs**. The credit would increase from $2,200 per child to $6,360 for newborns, $4,320 for children ages 1–6, and $3,600 for children ages 6–17 — reflecting the higher costs of early childhood and the critical importance of the first years of life.
- **Provides additional support to babies.** The American Family Act includes a dedicated enhanced benefit for newborns to ensure that newborns and their families receive meaningful support in the critical first year of life, eliminating the "baby penalty" built into the current credit that denies or reduces benefits to families at the exact moment their costs are highest and their income is most likely to have dropped.
- **Delivers benefits monthly**. Payments would be delivered monthly, matching how families actually pay rent, buy groceries, cover child care, and manage daily expenses. The 2021 expansion demonstrated that monthly payments gave families the financial stability to reduce stress, improve food security, keep up with bills, and spend more time supporting their children's healthy development.

The Institute on Taxation and Economic Policy modeled the American Family Act against every available alternative CTC — including H.R. 1's — and identified it as the strongest performer for low- and middle-income families by a wide margin. Compared to prior law, the CTC expansion in H.R. 1 does nothing for the poorest fifth of families with children, but these families would see an average increased benefit of $4,900 under the AFA, and families in the middle fifth would see an average increased benefit of $2,780 compared to prior law. Child poverty would be cut by nearly half. This is not a close call. The evidence points overwhelmingly in one direction. The American Family Act charts the clearest path toward a country that finally invests in all of its children and not just those fortunate enough to be born into the right circumstances.

Our Call to Action

The models exist, the research is settled, and communities across America have already demonstrated what works. What remains is the political will to match our nation's values with policies that invest in children, strengthen families, and build a more prosperous future. Congress has both the evidence and the opportunity. It should seize this moment.

We, the undersigned, call on Congress to make the American Family Act the cornerstone of its affordability agenda and ensure that the Child Tax Credit reaches every child who needs it. The credit should be delivered monthly, provide meaningful support to families, and be available to every child in America regardless of their parents' income, where they were born, or who raises them. A strong Child Tax Credit is one of the most effective investments our nation can make and a moral commitment to our nation's future. Congress should pass the American Family Act without delay so every child has the opportunity to thrive.

Sincerely,