

April 16, 2020

Dear Member of Congress,

We appreciate the initial investments made to help our country's children and families weather the COVID-19 crisis through the Families First Coronavirus Response Act (Families First) and the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Both laws took important steps forward for children and families.

However as the scope and scale of the devastation from COVID-19 continues to grow, it is clear that children and families need additional support. At the same time, certain particularly vulnerable children and those disproportionately impacted by this crisis – including children living in poverty, children of color, children in the foster care system, and children in mixed immigration status families – were either completely left out of the previous relief packages or have additional, critical needs that must be addressed in Congress' next response to the COVID-19 crisis.

The unique and urgent needs of children must be a priority in Congress' ongoing efforts to support the American people through this pandemic. We cannot allow this crisis to continue to exacerbate existing disparities and hit our most vulnerable children the hardest. We ask that you quickly enact the following reforms to ensure America's children and their families can survive this crisis. Congress must:

Make direct cash assistance equal for adults and children to improve children's well-being, aid their healthy development, and reduce poverty and inequality during this unprecedented time. Low-income families with children, especially families of color, are disproportionately feeling the effects of this crisis.

- Increase the amount, frequency and duration of direct cash assistance payments to at least \$2,000 per person for adults *and* children to be paid out through the duration of the crisis. To ensure a robust recovery, payments should continue through the duration of the economic downturn with the amount and frequency scaled to the health of the economy.
- Expand eligibility for direct cash payments for low-income families and individuals who were excluded from the first round of cash payments, including tax filers with ITINs as well as Social Security Numbers (SSNs), immigrants, some members of mixed-status families, individuals who do not file federal income taxes, elderly dependents, adults with disabilities, dependent children over age 16, college students, youth aging out of foster care, and all other excluded dependents.
- Provide states flexibility, to the extent possible, to deliver cash assistance quickly and efficiently, possibly through expanded EBT cards.
- Expand and increase the **Child Tax Credit (CTC**), especially for young children under age 6, and make it fully refundable. Expand eligibility for the **Earned Income Tax Credit (EITC)** and make payments for both the CTC and EITC retroactive to last year. Unfortunately, the current CTC does not do enough to reach poor children because their parents earn too little. <u>Research shows</u> that one-third of children are not eligible for this important anti-poverty program. Those numbers are even worse for children of color more than 50 percent of African American and Hispanic children are currently left behind. Expanding the credit amount, making it fully refundable and not tying the benefit to earnings would help reduce these inequities and child poverty, especially for children of color.

- Establish and fully funded a TANF Contingency Emergency Fund (ECF) for families up to 200% of the Federal Poverty Level (FPL) through the duration of the economic downturn and waive all TANF work requirements and any other provisions that limit assistance.
- Ensure that dedicated funds are available for TANF-Child Only grants in states. These funds, which provide monetary support to kinship families caring for youth outside of the formal child welfare system, are substantially less generous than Foster Care Maintenance Payments for children in the system. Without additional support from TANF Child-Only grants, the crisis will force more children into the child welfare system instead of remaining safely with family.

<u>Make additional investments in critical programs that ensure needy children and families can access</u> <u>the nutritious food they need to survive.</u>

- Provide a nationwide, 15 percent increase in the minimum SNAP allotment to ensure increased access to nutritious food for every SNAP household. This would increase benefits by \$100 for a family of four under the Thrifty Food Plan.
- Increase the minimum SNAP benefit from \$16 to \$30.
- Suspend all SNAP administrative rules that would terminate or weaken benefits.
- Suspend the three-month SNAP time limit for unemployed adults without minors for the duration of the economic downturn. The Families First Coronavirus Response Act only included a suspension during the public health emergency, but more is needed to ensure families are covered while the economy remains weak, which is likely to extend for many months after the public health emergency has ended.

Take action and increase funding to ensure that children can access safe, stable housing and avoid the threat of homelessness during this crisis.

- Declare a nationwide moratorium on evictions and foreclosures for the duration of the crisis.
- **Provide \$100 billion in emergency rental assistance and eviction prevention funding** to prevent low-income renters from falling behind during the crisis and potentially being subjected to evictions and the risk of homelessness when moratoriums are lifted.
- Provide an additional \$11.5 billion for Emergency Solution Grants and expand emergency shelters for those who are sick and are already experiencing homelessness.
- Increase and provide flexible funding for McKinney-Vento Education for Homeless Children and Youth (EHCY) program for children and youth, students with disabilities, and foster youth experiencing homelessness. The additional funding should be used to provide students experiencing homelessness with the materials and technology they need for remote learning, as well as access to school meals and other school-based services.

Expand child welfare funding to help states meet the needs of the child welfare system.

Last week, a coalition of child welfare advocates sent to all Members of Congress <u>a letter signed by nearly 600 national</u>, state, and local organizations, including organizations from all 50 states and the District of Columbia, outlining the provisions that must be included in the next COVID response legislation to protect vulnerable children from abuse and neglect. The necessary actions outlined in that letter include:

- Support families to keep children safe from child abuse and neglect.
 - Increase funding to CAPTA Title II Community-Based Child Abuse Prevention (CB-CAP) grants by \$1 billion to quickly deploy resources directly to locally-driven prevention services and programs. CB-CAPs provide community-based grants to all 50 states for the express purpose of preventing child abuse and neglect, including key services like state child abuse hotlines, voluntary home visiting programs, parent support programs, baby pantries, distribution of food and medication, family resources centers, and respite care services.
 - Increase funding to Title IV-B, Part 2, the MaryLee Allen Promoting Safe and Stable Families Program (PSSF) by \$1 billion to help eliminate the need for out-of-home placements, both to protect children and to prevent the child welfare system from being

overwhelmed by the crisis. PSSF is a critical funding source for stabilizing families, supporting foster parents, and other prevention efforts for states during times of crisis.

- Ensure the FMAP rate increase is provided to the new Title IV-E Prevention Program. This is important to clarify because the Title IV-E Prevention Program is *not* currently reimbursed at the FMAP rate, but instead is reimbursed at a 50 percent rate (it moves to FMAP reimbursement in 2027). We recommend a total of 50 percent plus the final FMAP increase amount.
- Strengthen response and intervention systems to meet the challenge of the COVID-19 pandemic.
 - Increase funding to kinship navigator programs by \$20 million to ensure access to information and resources for older relative caregivers at acute risk of COVID-19, such as food, health and safety supplies, and other necessities. Grandparents and other relatives who step in to raise children keep them safely with family and out of foster care, saving taxpayers more than \$4 billion each year.
 - Increase funding to CAPTA Title I by \$500 million to ensure state and local child protection systems can adapt to these new circumstances while continuing to respond quickly to the reports of child abuse and address barriers to ordinary service delivery during the pandemic. This funding will ensure the child protection workforce has necessary technological and protective resources to prevent the interruption of vital support services to children and families amidst this crisis.
 - Increase funding to the Court Improvement Program (CIP) by \$30 million to mitigate the impact of the pandemic on the functioning of child welfare courts.
- Address the needs of older youth already in, or transitioning out of, the foster care system by increasing funding to Title IV-E Chafee funds by \$500 million to allow states additional funding to support older youth in care and transitioning out of care. This would allow states important flexibility in expanding Chafee funds for services and supports for transitioning youth, including financial assistance and employment assistance, in the face of this pandemic.
- Increase funding to the Social Services Block Grant by \$4.1 billion to help states provide critical services and supports tailored to the needs of their community, including child protective services, child abuse prevention services, and foster care.

Ensure access to comprehensive, affordable health coverage and care.

- Increase Medicaid funding to ensure it can continue to act as a powerful first responder for children, families and communities during this public health crisis. Medicaid provides more than 36 million children affordable, comprehensive, pediatric appropriate health coverage. It is lean and efficient and can quickly and equitably get help to areas of greatest need. Because Medicaid is a proven program with built in safeguards, funding can be put to work efficiently without the need to create new oversight mechanisms.
 - Enact an additional emergency FMAP boost of 5.8 percent to states to meet the 12 percent total requested by the National Governors Association.
 - Preserve the Families First Coronavirus Response Act's maintenance of effort (MOE) provision to protect people who rely on Medicaid from becoming uninsured. Repealing or altering the MOE would lead to drastic increases in the uninsured rate at a time when coverage is paramount and maintaining household financial stability is harder than ever. During past recessions, in the absence of maintenance-of-effort rules, states have used eligibility cuts as a way to balance state budgets, causing millions of people—including children—to lose coverage. Recent analysis from Health Management Associates (HMA), shows that the MOE will help 5 million people maintain their Medicaid coverage during the public health emergency.
 - Block the Trump Administration from finalizing the Medicaid Fiscal Accountability Regulation (MFAR). If the proposed changes to the MFAR rule are finalized, it would offset

much of the benefit of the FMAP increase and make the combined state fiscal relief that has already been provided even more inadequate, thus jeopardizing children's and parents' access to coverage and care. It is critical that the Trump Administration immediately withdraw the MFAR rule; but in the absence of such action, Congress should immediately take action to block the rule from being finalized. Elimination of the MFAR rule has also been strongly endorsed by the National Governors Association.

- Enact mandatory 12-month continuous eligibility in Medicaid and CHIP to ensure no child or parent loses health coverage in the midst of a public health crisis due to bureaucratic red-tape. Additional efforts to reduce and eliminate administrative barriers for states and families should also be taken to ensure families can get enrolled and stay enrolled.
- Postpone the upcoming reduction of the enhanced FMAP for CHIP from 23 percent to 11.5 percent set to take effect on October 1, 2020. Maintaining the current enhanced FMAP will help ensure states and local governments continue to have additional resources to respond to the COVID-19 crisis.
- **Provide sufficient funding for CHIP** to meet the cost of increased enrollment due to newly eligible children and pregnant women.
- Allow states to expand income eligibility for CHIP up to 300 percent of the federal poverty level to reduce uninsurance among children.
- Enact a permanent extension of the Children's Health Insurance Program (CHIP) through H.R. 6151 to ensure that any future lapses in funding would no longer occur, particularly during a national crisis. Working families who do not qualify for Medicaid need to know that their children's health care coverage will *never* be interrupted.

Provide additional, significant, and dedicated funding for child care to offer immediate relief to the sector.

- Provide at least \$50 billion in total funding dedicated to child care with enough flexibility to address the needs of particular communities and families for the duration of this crisis. This funding is needed in order to, among other things:
 - Pay providers to cover ongoing operating costs while they are closed for public health reasons, or open but with reduced enrollment to serve children of essential workers;
 - Provide essential duty pay for child care workers in programs that are remaining open during the crisis;
 - Provide materials, resources, training, and other public health supports regarding health and safety practices;
 - Eliminate copayments or tuition for families during this public health and economic crisis while ensuring that providers are still paid;
 - Fund and pay substitute educators where needed and available;
 - Purchase materials for providers that cannot afford or find supplies;
 - Provide virtual learning opportunities when appropriate and mental health supports for families; and
 - Support child care providers navigating small business loan application processes.

Ensure adequate support for K-12 schools to support students and families as the unprecedented need for virtual instruction and other services grows.

- Provide billions more in emergency funding for state and local elementary and secondary institutions, especially for Title I schools.
- Significantly increase funding for FCC's schools and libraries universal service support program, commonly known as the E-rate program, to help close the "homework gap" for low-income students and students of color. The E-rate program helps schools and libraries obtain affordable broadband. Children and families sheltered in place at home must be able to engage in distance learning and communication with schools. To be effective, high-speed broadband at home must meet the needs of a whole family and withstand intensive network use.

• Maintain levels of accountability that protect students' civil rights and ensure that no that no new waiver authority is granted under the Individuals with Disabilities Education Act.

Expand paid sick days and paid family and medical leave benefits and unemployment insurance to ensure they reach all workers for the duration of this crisis.

- Expand all paid sick and paid family and medical leave and include everyone who pays taxes, including workers who file ITINs, and ensure self-employed workers and independent contractors are eligible.
 - Provide full wage replacement for workers who are unable to work.
 - Remove the hardship exemption by eliminating OMB and DOL's ability to exclude certain categories of workers for businesses with fewer than 50 employees.
 - Remove the exemption for employers with more than 500 employees.
- Ensure all workers are eligible for unemployment insurance, including immigrant workers and extend unemployment benefits through the duration of the economic crisis.

Ensure relief and access to services for all families — regardless of immigration status.

- Provide no-cost testing and treatment for all, including immigrant communities and particularly ensure that testing and treatment for COVID-19 is covered under emergency Medicaid.
- Provide cash payments to individuals who file taxes with an ITIN.
- Provide funding for language access and public outreach on COVID-19 preparedness, response, and recovery.
- Provide automatic extensions of expiring work authorization for the same time period as was
 previously authorized.
- Halt implementation of new public charge rules so families are not discouraged from accessing critical services.
- Halt immigration enforcement actions that would deter immigrants from seeking health services, including enforcement activities at sensitive locations like health care centers.
- Ensure the expeditious release of families in detention centers as well as children in the custody of the Office of Refugee Resettlement (ORR) so they and their sponsor can self-quarantine.

The needs of the most vulnerable among us, especially our children, must remain a top priority in the federal response to the COVID-19 pandemic. We urge you to ensure that the above provisions are included in the next relief package to protect the safety and well-being of America's children amidst this crisis.

If we can expand on any of these recommendations or provide more information about the needs of children and families, please do not hesitate to contact CDF's Interim Policy Director, Kathleen King (kking@childrensdefense.org). Thank you for your leadership.

Sincerely,

Max Lesko National Executive Director