

The Child Tax Credit program helps Michigan families, let's make it permanent

Matt Gillard, guest writer

Many of us have come to expect that what goes on in the U.S. Congress has little effect on our daily lives. But that has now changed for almost two million children in nearly one million Michigan families who are receiving monthly payments from the expanded Child Tax Credit (CTC) program.

The program expansion was part of the American Rescue Plan, which Congress approved earlier this year to help working families overcome the ongoing financial challenges of the COVID-19 pandemic. It gives approximately 90 percent of Michigan families with kids a direct monthly payment of up to \$300 per child.

This modest but critical income boost every month is designed to help all families succeed — from those in poverty struggling with basic needs like food, rent and bills, to middle-class families who need help with childcare costs.

This financial support has served as a vital lifeline for children and families across Michigan, letting parents get back to work or take on more hours and helping Main Street businesses and whole communities thrive. The stimulus effect on our state's economy is also significant — studies show that over the next year the program could increase household spending in Michigan by nearly a billion dollars — and create as many as 16,000 new, full-time jobs.

At the heart of this policy is the idea that every one of us should have the ability to provide and care for our families. The cumulative effect of that concept is transformative: The expanded Child Tax Credit program is on track to cut child poverty nearly in half — with out-sized benefits for kids of color. In fact, the program is the most impactful anti-poverty investment in a generation.

That's the good news. The bad news is the expansion is set to expire at the end of the year, and lawmakers in Washington, D.C. soon must decide whether to extend the credit, make it permanent or let millions of kids lapse back into poverty.

It shouldn't be a difficult debate.

For one, the American people don't want to take away this support for parents. A recent poll from David Binder Research found that 57 percent of voters — parents and non-

parents alike — support extending it (and that's even before most families had begun to see the impact of these monthly payments).

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The consequences of failing to extend the expanded Child Tax Credit program beyond this year are severe and unnecessary.

Here in Michigan, nearly 1.7 million children qualify for the expanded Child Tax Credit. That's led to about \$1.5 billion reaching Michigan families since payments began in July, which helped to cut food insecurity by nearly 24 percent. These payments are huge for Michigan families, helping to pay for school supplies, medical bills, food, housing, rent and more.

Consider the broader implications of making this policy permanent. Think about what it would mean to provide the same economic security for children in America that Social Security created for seniors.

That kind of life-changing, society-improving action from Congress might feel impossible sometimes. By expanding the Child Tax Credit this year, lawmakers already did the hard part and proved it can be done. Now, all they need to do is keep it going.

Matt Gillard is the president & CEO of Michigan's Children, an independent, multi-issue public policy firm focused on equity and dedicated to improving the odds for all children and families in our state.