

# THE SACRAMENTO BEE

## Parents could get a lot of help with Biden child care plan. How long will it last?

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There's a lot for many California parents to gain in the Biden administration's Build Back Better plan: big tax breaks for each child, free pre-kindergarten programs and a limit on how much families pay for child care.

But much of the change would be temporary.

The beefed-up child tax credit, which will continue this year's breaks of up to \$3,600 per child, is for 2022 only.

Funding for pre-kindergarten and help for families' expenses — limiting what most could spend on child care to no more than 7% of their income — is a six-year initiative.

The help is part of the \$2 trillion plan the House passed last month. The Senate is expected to begin debating the package next month, and so far the child care aid appears safe.

Child care advocates are largely unconcerned about the end dates, noting that expiration dates for new federal programs are nothing new. Such dates are popular politically because they make the legislation look less expensive, and supporters hope the programs will gain enough backing that they'll be hard to end.

“Families have faced such immense challenges affording child care and pre-K that, after this becomes law, parents are definitely going to oppose any efforts to make things more expensive again,” said Charles Joughin, communications director for the First Five Years Fund, a child care advocacy group.

Paying For Child Care

The historic congressional reluctance to change what's in place gives child care advocates hope. Sen. Patty Murray, D-Washington, maintains that "Building the market (for improved child care) will be such a relief to so many people." Murray chairs the Senate Health, Education, Labor and Pensions Committee.

The bill takes several steps to make child care more accessible and affordable.

Almost all families making up to an estimated \$246,610 in California could eventually pay no more than 7% of their income on child care, and providers would be given help to raise salaries for workers.

The administration found that about 17% of 3- and 4-year-olds in California now have access to publicly funded preschool. Under the bill, all children that age would be able to attend a free preschool.

Funding for preschool programs would be available to Head Start programs, and other licensed child care providers, including faith-based providers.

#### Tax Breaks For Parents

Middle- and lower-income California families stand to see big benefits from the House bill's tax policies.

The plan allows qualifying families with children 6 to 17 to get a tax credit of \$3,000 per child in 2022. Those with children under 6 can receive \$3,600.

The increase in the maximum amounts begins to phase out for parents with adjusted gross incomes of more than \$75,000 for single filers, up to \$112,500 for heads of households and up to \$150,000 or less for married couples filing jointly.

In California, that means the average household credit next year would be \$4,080 for those making less than \$29,100. It would be \$2,340 to \$2,850 for those making \$29,100 to \$151,100.

Those breaks, in effect this year, would only be available again next year. They'd cost the government an estimated \$190 billion.

Extending them through 2031 would cost another \$1 trillion, the nonpartisan Committee for a Responsible Federal Budget estimated.

Republicans have employed the same expiration strategy with taxes. Many of their big 2017 personal income tax cuts, such as lower income tax rates, are due to expire in 2025.

Is Build Back Better Enough?

The cost, or arguments that such programs mean bigger government, have rarely deterred lawmakers from extending programs. Republicans campaigned throughout the last decade for repealing Obamacare, passed in 2010. They never could.

There's another view, though, that getting people used to these programs means more expansive and expensive government well into the future.

Ending programs would work "if the purpose was for Congress to take a sober second look at programs to see how well they were working, and to end the programs that were not working well," said Chris Edwards, director of tax policy studies at the libertarian Cato Institute.

"We know of course that is not what really happens. Supporters of programs almost never admit there is anything wrong with them, even if clear problems arise. Politicians have too much pride," he said.

The Committee for a Responsible Budget estimates that making all of the legislation's programs permanent would cost the government as much as \$2.5 trillion.

Marc Goldwein, the committee's senior vice president, saw two potential new risks to keeping some of the new programs going.

First, he said, the programs would need congressional support at a time when there's growing concern about increasing federal budget deficits.

Second, while popular programs tend to stay on the books, that era could be ending as the two parties become more polarized. The Build Back Better plan passed without a single Republican vote in the House, and is expected to win Senate approval the same way.

Senate Republican Leader Mitch McConnell, R-Kentucky, recently called the Build Back Better plan "a sweeping Socialist wish list in search of a justification."

All that suggests an uncertain future for expiring programs. "In the past our politics was not so divided," Goldwein said.