

# **Review of the American Families Plan**

**A review of the newest legislative initiative**

**April 29, 2021**

# Roadmap

- **Education**
- Children & Families
- Childcare
- Medical Leave
- Nutrition
- Unemployment
- Tax Cuts

# American Families Plan: Education

- **Add at least four years of free education.**
  - Provide universal, quality-preschool to all three- and four-year-olds.
  - Provide Americans, including DREAMers, two years of free community college.
  - Invest in making college more affordable for low- and middle-income students, including students at Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), and Hispanic-serving institutions, Asian American and Native American Pacific Islander-serving institutions, and other minority-serving institutions (MSIs) by providing two years of subsidized tuition and expand programs in high-demand fields.
  - Provide up to \$1,400 in additional assistance to low-income students by increasing the Pell Grant award.
  - Increase college retention and completion rates.
- **Invest in educator leadership.**
  - Invest \$2 billion to support programs that leverage teachers as leaders, such as high-quality mentorship programs for new teachers and teachers of color.
  - Leverage teachers as leaders within school buildings and compensate them for this work, recognizing the expertise of veteran educators, and their value in supporting the next generation of great teachers.

# American Families Plan: Education



- **Address teacher shortages, improve teacher preparation, and strengthen pipelines for teachers of color.**
  - Double scholarships for future teachers from \$4,000 to \$8,000 per year while earning their degree, strengthening the program, and expanding it to early childhood educators.
  - Invest \$2.8 billion in Grow Your Own programs and year-long, paid teacher residency programs,
  - Target \$400 million for teacher preparation at HBCUs, TCUs, and MSIs
  - Target \$900 million for the development of special education teachers.
- **Help current teachers earn in-demand credentials.**
  - Invest \$1.6 billion for 100,000 public school educators in schools with a significant portion of low-income students or significant teacher shortages who have at least two years of experience to obtain additional certifications in high-demand areas like special education, bilingual education, and certifications.
  - All funds will be available immediately, flowing through the states, and available until expended.

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# American Families Plan: Children and Families

- **Provide direct support to children and families.**
  - Low- and middle-income families spend no more than 7% of their income on child-care
  - Savings of \$14,800 per year on childcare expenses.
  - Access to high-quality child-care.
  - Create a national comprehensive paid family and medical leave program.
  - Provide critical nutrition assistance to families who need it.
  - Expand access to healthy meals for students –reducing childhood hunger.

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# American Families Plan: Childcare

- **Supporting child-care providers and workers by:**
  - Providing developmentally appropriate curriculum,
  - Small class sizes
  - Culturally and linguistically responsive environments that are inclusive of children with disabilities.
  - A \$15 minimum wage for early childhood staff
  - Those kindergarten teachers with similar qualifications receive comparable compensation and benefits.
  - Invest in maternal health and support families of veterans receiving health care services allowing one million parents, primarily mothers, enter the workforce.
  - Bolster inclusive and equitable economic growth.



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# American Families Plan: Medical Leave & Nutrition

- **Create a national comprehensive paid family and medical leave program.**
  - Twelve weeks of paid parental, family, and personal illness/safe leave
  - Workers get three days of bereavement leave per year starting in year one.
  - Provide workers up to \$4,000 a month, with a minimum of two-thirds of average weekly wages replaced, rising to 80 percent for the lowest wage workers.
  
- **Nutrition**
  - Expand summer EBT to all eligible children nationwide.
  - Expand school meal programs for children in the highest poverty districts.
  - Launch foods incentive to improve the nutrition standards of school meals.
  - Facilitate re-entry for formerly incarcerated individuals through SNAP eligibility - many of whom are parents of young children.

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# American Families Plan: Unemployment and Taxes

- **Extend tax cuts for families with children and American workers.**
  - Extend the Child Tax Credit
  - Extend the Earned Income Tax Credit
  - Extend the Child and Dependent Care Tax Credit
  - Extend expanded health insurance tax credit.
- **Tax Cuts for America's Families and Workers**
  - Extend Affordable Care Act premiums tax credits.
  - Lower prescription drug costs by letting Medicare negotiate prices.
  - Reduce insurance premiums & deductibles for those who buy coverage.
  - Create a public option for people to enroll in Medicare at age 60.
  - Close the Medicaid coverage gap to allow health insurance.
  - Extend the Child Tax Credit increases through 2025.
  - Make the Child Tax Credit permanently fully refundable Permanently increase tax credits to support families with childcare needs.
  - Make the Earned Income Tax Credit for childless workers permanent.
  - Give IRS the authority to regulate paid tax preparers.

## **Unemployment Insurance Reform**

Adjust the length and amount of UI benefits unemployed workers receive depending on economic conditions.

## **Tax Reform**

Increase the top tax rate on the wealthiest Americans to 39.6 percent.

End capital income tax breaks and other loopholes

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