

Breaking Down the Federal Recovery Proposal

Several policies have the power to rebalance our tax code, support our people and transform our economy

Fostering Healthy Communities

- A pathway for Georgians and others in states that haven't expanded Medicaid coverage to access the program
- The ability for states to extend Medicaid coverage to parents for twelve months after giving birth

Supporting Our Workforce

- An increase in the maximum value of Pell grants to make higher education more affordable for students, including immigrants with DACA status.

Investing in Families

- A five-year extension of the expansion of the Child Tax Credit
- Supports for parents that file their taxes using an Individual Taxpayer Identification Number to be able to claim the tax credit, which means more immigrant families will be able to access the credit
- A permanent expansion of the Earned Income Tax Credit

Rebalancing Our Tax Code

- Raises nearly \$2 trillion to offset costs of investments in people
- Taxes wealth more like work so that everyone pays their fair share
- Strengthens corporate taxes
- Increases funding for the Internal Revenue System (IRS) to enforce payments missed from people with high incomes and corporations



Together, these proposals have the power to:

- Reduce child poverty in Georgia from 14.8 percent to 8.8 percent, lift nearly 700,000 Georgia kids near or above the poverty line and help about 470,000 Black Georgians under 17 access the benefits of the Child Tax Credit
- Improve economic security for over 600,000 workers with low wages who are not raising children
- Help the nearly 270,000 Georgians who make too much to qualify for Medicaid and not enough to get premium tax credits on healthcare.gov access health care coverage. A disproportionate share of those in the coverage gap are people of color
- Help the 228,000 students in Georgia who receive federal need-based Pell grants better afford college, as well as some of the 20,000 DACA recipients in Georgia

Yet the package is missing critical opportunities to support Georgians on their way to recovery, such as:

- Guardrails around how state Unemployment Insurance programs work—for example, by ensuring a minimum benefit amount and number of weeks during which states must provide benefits
- Additional supports to ensure that high-income people can't shield their income from taxation
- Requirements for financial institutions to provide certain information that will help the IRS identify households that are underreporting their income

Source: Build Back Better Act, H.R. 5376. 117th Cong. (2021).