



BIPARTISAN POLICY CENTER

The Honorable Mitch McConnell  
S-230, The Capitol  
Washington, DC 20510

The Honorable Paul Ryan H-  
232, The Capitol Washington,  
DC 20515

The Honorable Chuck Schumer  
S-221, The Capitol  
Washington, DC 20515

The Honorable Nancy Pelosi  
H-204, The Capitol  
Washington, DC 20515

November 27, 2017

Dear Majority Leader McConnell, Democratic Leader Schumer, Speaker Ryan,  
and Democratic Leader Pelosi:

As Congress considers tax reform, we encourage you to ensure that working families with young children are provided with the support needed to raise the workers, innovators, and entrepreneurs who will sustain our society and economy well into the future.

While we differ on our support for the overall tax plan, we agree that Congress should act to increase the value of and access to the Child Tax Credit (CTC) for families with children ages 0-5 as a key step in helping low- and middle-income working families and investing in our country's long-term prosperity.

While we are encouraged by the House and Senate provisions to increase the CTC, we believe neither CTC proposal goes far enough to support low and middle-income families. There are several additional CTC reforms that are critical to achieving this goal:

- (1) the credit should begin to phase in with the first dollar earned,
- (2) the entire credit should be refundable, and
- (3) the credit should phase in at a faster rate than current law (15%).

In addition, while we both support raising the phase out rate to help more families, we suggest that Congress adopt a more modest increase than the \$500,000 cap (included in the Senate bill) so that CTC resources can be better targeted to low- and middle- income families working hard to provide for their families.

Finally, we also believe that creating a Young Child Tax Credit (children 0-5) is essential to truly supporting working families. Why is it so important to focus on young children? Recent advances in brain science, tell us that the very earliest years are a time of foundational growth and development. From birth on (and indeed even before birth), babies and toddlers are influenced by their environment

**Celebrating ten years of productive partisanship.**

bipartisanpolicy.org | 202-204-2400 | @BPC\_Bipartisan | Washington, D.C. 20005



and profoundly shaped by their interactions with others. If young children are not engaged and nurtured in those years, or worse, if they are exposed to stress, trauma, or neglect, the consequences can last a lifetime.

Abundant research shows that the most vulnerable children have already fallen well behind their better-off peers by the time they enter school – these gaps not only persist, they tend to widen in later years. Unfortunately, the years that are most important from a developmental standpoint are also the years when staying at home or paying for child care is most unaffordable for many low- and middle-income parents.

The CTC reforms we urge will provide direct and immediate relief to working families who otherwise will be largely excluded, giving parents greater choices when considering whether to stay in the workforce versus provide care for an infant or young child at home, and helping parents afford care, if needed, outside the home.

Tax reform, like most consequential policies, entails tough trade-offs. But if one of the tests of sound reform is putting our nation on a stronger footing to meet the challenges of the future, a modest shift in favor of families with young children is not only worth the cost, it's smart.

Sincerely,

A handwritten signature in black ink that reads 'Rick Santorum'.

Rick Santorum  
Former U.S. Senator  
Pennsylvania

A handwritten signature in black ink that reads 'George Miller'.

George Miller  
Former U.S. Representative  
California

---

Cc: Senators Hatch and Wyden  
Cc: Representatives Brady and Neal  
Cc: Ivanka Trump and Gary Cohn

**Celebrating ten years of productive partisanship.**

bipartisanpolicy.org | 202-204-2400 | @BPC\_Bipartisan | Washington, D.C. 20005



Senator Orrin Hatch  
Chairman  
Senate Committee on Finance  
104 Hart Senate Office Building  
Washington, DC 20510

Senator Ron Wyden  
Ranking Member  
Senate Committee on Finance  
221 Dirksen Senate Office Building  
Washington, DC 20510

Representative Kevin Brady  
Chairman  
House Committee on Ways and Means  
1011 Longworth House Office Building  
Washington, DC 20515

Representative Richard Neal  
Ranking Member  
House Committee on Ways and Means  
341 Cannon House Office Building  
Washington, DC 20515

The Honorable Gary Cohn  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Ivanka Trump  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

**Celebrating ten years of productive partisanship.**

[bipartisanpolicy.org](http://bipartisanpolicy.org) | 202-204-2400 | @BPC\_Bipartisan | Washington, D.C. 20005