

FACT SHEET:

How the Build Back Better Framework Helps Asian American, Native Hawaiian, and Pacific Islander Communities

Joe Biden believes that there's no greater economic engine in the world than the hard work and ingenuity of the American people. But for too long, the economy has worked great for those at the top, while working families get squeezed. President Biden promised to rebuild the backbone of the country – the middle class – so that this time everyone comes along. He also campaigned on a promise to forge consensus and make government work for working people again.

Today, the President is delivering on these promises. After hearing input from all sides and negotiating in good faith with a broad group of members of Congress, President Biden is announcing a framework for the Build Back Better Act. President Biden believes this is a framework that we can all be proud of, and he is confident it will pass both houses of Congress and he will sign it into law. He calls on Congress to take up this bill – in addition to the Bipartisan Infrastructure Investment and Jobs Act – as quickly as possible.

The Build Back Better Framework will deliver meaningful outcomes for Asian American, Native Hawaiian, and Pacific Islanders (AA and NHPIs) and help build an America in which all can thrive.

The most transformative investment in children and caregiving in generations.

AA and NHPI families are <u>feeling the strain</u> of the high costs of child care, and <u>1 in 10 AA and NHPI parents</u> report having to quit, turn down, or make a major change in their job due to child care disruptions. Only <u>19.6% of Asian American 3- and 4-year old children</u> are enrolled in publicly funded preschool, while the average cost of preschool for those without access to publicly funded programs is \$8,600. Half of <u>Asian American women</u> live where there are either no child care providers or so few options that there are more than three times as many children as licensed child care slots. The lack of affordable child care contributes to the fact that Asian American women have seen a 2.9 percentage point drop in labor force participation.

The Build Back Better Framework will ensure that the vast majority of working families of four, including AA and NHPI families, earning less than \$300,000 will pay no more than 7% of their income on child care for children under 6. This will expand access to the 9 out of 10 families with young children across the country who are working, looking for work, participating in an education or training program, or taking care of a serious health condition, and who are making up to 2.5 times their state's median income. This means most families will cut their child care spending by more than half – for example, for two parents earning \$100,000 per year, the framework will produce more than \$5,000 in annual child care savings. The Build Back Better Framework also offers access to free preschool for all 3- and 4-year old children, providing parents access to high-quality programs in the setting of their choice – from public schools to child care providers to Head Start. The Build Back Better Framework will also reduce the cost of home-based care for the hundreds of thousands of older adults and people with disabilities who need it and are unable to access it and raise wages for home care workers.

The biggest expansion of affordable health care in a decade.

More than 1.5 million AA and NHPIs were uninsured in 2019 before President Biden took office, coverage under the Affordable Care Act (even with the ACA's premium subsidies) was too expensive for many families, and almost 1.3 million people of color fell into the "coverage gap" and were locked out of coverage because their state refused to expand Medicaid. President Biden's framework closes the Medicaid coverage gap while also lowering health care costs for those buying coverage through the ACA by extending the American Rescue Plan's lower premiums, which helps 197,000 uninsured AA and NHPI people save an average of \$50 per person per month. The framework also adds hearing coverage for the more than 2.3 million AA and NHPI people on Medicare.

The most significant effort to bring down costs and strengthen the middle class in generations.

The single largest and most comprehensive investment in affordable housing in history. More than 25% of AA and NHPI renters pay over half their income in rent. The framework will enable the construction, rehabilitation, and improvement of more than 1 million affordable homes, boosting housing supply and reducing price pressures for renters and homeowners. It will make investments to improve the safety, energy efficiency, and quality of existing public housing, where 30,000 resident households are AA and NHPI. It also expands the availability of housing choice vouchers to hundreds of thousands more families, which is significant because 60,000 current voucher holders are AA and NHPI. Finally, the Build Back Better Framework will remove lead-based paint from housing units and provide grants for resident-led community development projects in neighborhoods that have faced systemic disinvestment.

Promote nutrition security to support children's health. The pandemic has added urgency to the issue of nutrition insecurity. The Build Back Better Framework will ensure that the nutritional needs of AA and NHPI children are met by expanding access to free school meals during the school year and providing students with resources to purchase food over the summer.

Tax cuts for families with children. Nine percent of Asian American families and 16 percent of Native Hawaiian and other Pacific Islander families fall below the poverty line, struggling to pay expenses like food, rent, health care, and transportation for their families. President Biden's framework will extend the Child Tax Credit, lowering taxes for middle class families by providing the families of 2.8 million Asian American kids in the U.S. a major tax cut – cutting the AAPI poverty rate by 21.7 percent. This is especially critical for the 56% of AA and NHPI women who are either sole or co-breadwinners for their families.

Tax cuts for workers without children. The President's Build Back Better Framework permanently extends the American Rescue Plan's increase to the Earned-Income Tax Credit from \$543 to \$1,502. This will benefit roughly 678,00 Asian American low-wage workers, including cashiers, cooks, delivery drivers, food preparation workers, and child care providers.

Education beyond high school and workforce training. An education beyond high school is increasingly important to succeed in the 21st-century economy, even as it has become unaffordable for too many AA and NHPI families. And, the U.S. has chronically underinvested in workforce development, with millions of jobs going unfilled in growing sectors such as

construction and health care. That's why the Build Back Better Framework would increase the maximum Pell Grant by \$550 per year and provide historic investments in minority-serving institutions (MSIs), including Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs) and Native Hawaiian-serving institutions. Through high-quality training programs, career and technical education pathways and Registered Apprenticeships, President Biden's Build Back Better Framework will invest in training programs that will prepare millions of American workers for high-quality jobs in growing sectors.

Immigration reform. The Build Back Better framework includes a \$100 billion investment in reforms that will improve our immigration system by providing long awaited relief to millions through reconciliation, and making enhancements to reduce backlogs, expand legal representation, and make the asylum system and border processing more efficient and humane.

The largest effort to combat climate change in American history.

The framework's \$555 billion investment is the largest effort to combat the climate crisis in American history and set the country on course to meet its climate targets, achieving a 50-52% reduction in greenhouse gas emissions below 2005 levels in 2030. It would create good-paying, union jobs, deliver environmental justice, and launch a new, diverse Civilian Climate Corps that will put Americans to work deploying climate solutions in communities across the country. The framework will also expand and extend clean energy and electric vehicle tax credits to lower electricity bills and make electric vehicles more affordable for middle class families. And, the framework will make critical investments to clean up pollution and monitor and improve air and water quality, while ensuring community engagement and input on infrastructure projects. The Build Back Better Framework would also restore American manufacturing with R&D investments at MSIs —including critical investments to compete on clean energy.

Read about the President's full Build Back Better Agenda here: <u>https://www.whitehouse.gov/build-back-better</u>

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