

## CWLA and AAICAMA Policy Update

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Time: 12:00 PM Eastern Time



## 1. Government Funding

The House and Senate were on their Presidents' Day recess without an agreement on the four, funding bills that expire on March 1st, 2024, the end of the next week. The House and Senate leadership were able to agree on topline numbers for the total FY2024 budget that closely mirrored the Fiscal Responsibility Act, the compromise legislation negotiated between President Biden, Senate Majority Leader Schumer (D-NY) and then-Speaker of the House McCarthy (R-CA). These topline numbers amount to almost flat funding for nondefense discretionary (NDD) programs. This is significantly higher than the toplines in the House-introduced bills, and lower than the Senate versions of the bills.

It was also announced at the end of January that the Appropriations leaders came to an agreement on the allocations for each of the twelve funding bills, called the 302(b) allocations. These numbers haven't been made public, but it is rumored that the Homeland Security bill will receive an increase over FY 2023 funding, which will necessarily mean that at least some of the other bills will get a lower funding total than last year. One of the key sticking points at this time is the issue of policy riders - House Republicans have included harmful policy changes in every one of their appropriation bills drafts addressing issues like abortion, LGBTQI+ programs and rights, climate change, and more. While Speaker Mike Johnson (R-LA) continues to push for the inclusion of some of these conservative policies, Democrats in both chambers and Senate Republicans remain opposed to these riders.

Advocacy groups continue to push for the highest possible allocations for programs they care about and will do so until the legislative text is unveiled. In the first group of bills, CWLA has focused on funding for WIC and housing supports. Several of the more difficult bills, including the Labor-HHS bill.

## 2. Federal Legislation

Child Tax Credit: The Tax Relief for American Families and Workers Act, which includes a small but significant expansion to the child tax credit has passed the House in an overwhelmingly bipartisan 357-72 vote but has stalled in the Senate, where Finance Committee Republicans have taken issue with the "lookback" provision, by which a family could opt to use the prior year's income to calculate their CTC amount. This provision could help families with low incomes that unexpectedly or unavoidably have a change in their income in a given year; the Center on Budget and Policy Priorities released this paper explaining the provision.

The upcoming appropriations deadlines provide the best vehicle for passing this bill, which will likely need to ride along as part of a larger legislative package rather than be passed on its own, if it can muster the support it needs in the Senate.

**Child Welfare:** At this time, there has been no significant progress on child welfare-specific legislation. Title IV-B of the Social Security Act is up for reauthorization this year, after several single-year extensions, and while the House has held some hearings and has created some momentum, it is unclear whether there is enough member interest and bipartisan agreement to get it done. CWLA submitted <u>comments for the record</u> after the most recent hearing in January, which focused on supports for older youth in foster care transitioning to independence.

As noted in the January summary, Representatives Judy Chu (D-CA) and Erin Houchin (R-IN) introduced this bill that would incentivize states to extend foster care to age 22. Many states already extend foster care past age 18, but a significant number still cut off care on a young person's 18th birthday. This bill would remove the link to AFDC for this age group eligibility to provide more federal funding and would remove the requirements that young people are participating in work or school in order to access extended foster care.

CWLA and Youth Villages led an <u>endorsement letter</u>, signed by more than 115 state and national organizations.

Additional Legislation: There was discussion during the February policy update about undocumented immigrant children in foster care and resources, or the lack thereof, to care for them. States are seeing significant increases in the number of unaccompanied children and other undocumented children and more of their state funding is necessary to cover the cost of their care, because Title IV-E does not cover it. There was an acknowledgement that there is no good, productive conversation happening at the Federal level – the rhetoric on immigration and the southern border is inflammatory and degrading. The border policy bill in the Senate, which was a conservative bill that would have moved our border policies to the right, could not pass because of Republican opposition.

Since the February policy update, on March 5, 2024, House Ways and Means Committee Chairman Jason Smith (R-MO), joined by Work and Welfare Subcommittee Chairman Darin LaHood (R-IL), called for the Inspector General of the Department of Health and Human Services' (HHS) to launch an investigation into how the influx of unaccompanied children crossing the southwest border may be increasing pressure on the U.S foster care system. The letter uses language about "the already overburdened system" and states being unable to "take care of their own" – it is hyper-partisan. The full text of the letter can be found here.