



A Better Way to Support Children and Families

Middle-class families need help. It's hard to afford the cost of living and, even with two income earners in the home, wages for many working families have stagnated while costs continue to rise. This lack of economic stability is tough for all families. It even prevents some from having as many children as they would like, when they want to have them. For individual families, the lack of options can be heartbreaking. For the country, declining birthrates present several challenges for our future.

The primary federal program to support families with children, the Child Tax Credit, falls far short of what's needed: Parents must file taxes to receive it. It's an annual payment, even though families need to meet a budget every month. And it's poorly targeted, with the lowest-income families receiving less while families with incomes up to \$400,000 per year receive the full benefit.

We can do better if our leaders get serious about supporting families. People who want to have kids should be able to do so without fear of going broke, and have real choices about how to structure their households and raise their kids.

Congressman Jared Golden has introduced legislation to create a Family Income Supplemental Credit (FISC), a new program of monthly child payments for families with children. The FISC is more generous and better targeted than the CTC, and frontloads benefits to kids in their early years when the extra help is most impactful.

Monthly Supplement to Cover Monthly Expenses

Families need a steady stream of income to cover expenses and make ends meet month to month. For a single parent earning the median Maine income with a 2-year-old and 10-year-old, the FISC would deliver up to \$650 per month, more than twice what CTC delivers.

The FISC's monthly, per-child payments are front-loaded to maximize benefits early in a child's life, when research shows the additional income provides the largest lifelong benefits.

Between time off work, health care costs, and other unexpected expenses, pregnancy is expensive. FISC provides expecting mothers up to **\$800 per month beginning in the fifth month of pregnancy** through the birth of the child.

From birth, the FISC's monthly payments are up to **\$400 per child under 6 years old**, and **\$250 per child age 6 to 18**.

Payments are capped based on the parents' prior year's income, meaning no family can ever receive more in FISC payments than they earned by working.

If a parent loses their job, they can continue to receive full FISC payments based on their prior's year's income, preventing a benefit cliff and ensuring they have the breathing room they need to take care of their families and find new employment.

Lastly, research overwhelmingly shows that children do best in married, two-parent households. So FISC provides a 20 percent bonus for married couples.

Support for Those Who Need It, Not Benefits for the Wealthy

Our system already works great for the wealthiest households. FISC payments phase out quickly for families with higher incomes, to keep costs down and target federal family support where it's needed most.

Our system already works great for the wealthiest households. FISC payments phase out quickly for families with higher incomes, to keep costs down and target federal family support where it's needed most.

Under current law, households with incomes as high as \$400,000 — the top 2 percent in Maine — qualify for the maximum Child Tax Credit, while those with the lowest incomes receive only a partial CTC or nothing at all. The FISC rights the ship by phasing out payments at a much lower income threshold. Payments phase out at a rate of \$200 for every \$1,000 earned above \$125,000 in annual income for individuals and \$250,000 for married couples filing jointly.



"The Family Income Supplemental Credit will give Americans the tools they need to start or grow families and meet their goals on their own terms — no one else's."

Jared F. Golden