Build Back Better Plan will Accelerate Gender Equality, Reduce Poverty for Women and Families, and Strengthen the U.S. Care Infrastructure

The Build Back Better (BBB) Framework proposed by the Biden Administration will accelerate gender equality and significantly reduce poverty for women and families. The plan invests in women's economic security and equity by bolstering our care infrastructure, targeted tax credits, food and nutrition assistance, and higher education and training.

Supporting Women's Caregiving Needs

Build Back Better Framework will make Historic Investments in Care Infrastructure

Women were hit hardest by job losses during the pandemic, and their recovery has been slower. Women's total jobs on payroll are now 2.8% below pre-COVID-19 levels in February 2020, but care jobs lag behind at 11.6% below pre-pandemic levels.

High-quality, affordable child care is out of reach for many working women and families. And exceeds the average in-state college tuition in 33 states (Child Care Aware 2019). Child care is also one of the chief barriers for women attempting to reenter the workforce, sustain employment, or advance in their careers. The Build Back Better Framework invests in women by supporting their child care needs through:

- Investment of more than $390 billion in childcare and preschool. This investment will boost wages for workers, improve access to care, and reduce cost to families.

- Child care savings to families of $96 Billion in the first year and $957 Billion over 10-years The Build Back Better Act would lower families' child care costs exponentially, freeing up household income to cover the cost of other necessities such as housing, food, utilities or financial emergencies. Savings would also boost women's long-term economic security.

- Creating an equitable system that works for all families. Among households with children under age 13 that paid for at least one regular nonparental care arrangement, poor households spent 33 percent of their income on care, while higher-income households spent 11 percent of their income on care.

Build Back Better will Provide Paid Sick and Family Leave to the Most Vulnerable Workers

The pandemic required more people to take more time away from work to take care of themselves or loved ones. Beyond emergency legislation, many women risk losing pay or their jobs when taking time to recover from an illness or care for a family member. In a survey at the height of the pandemic, seven out of ten women (69.1 percent) reported that it is "very important" to provide paid leave so all working people can afford to take time away from work when they have a new child, need to recover from their own serious health condition, or care for a family member for re-opening businesses and having people return to work.

Four weeks of paid sick or medical leave in the Build Back Better Framework would benefit women of color, lower-wage workers, and part-time workers who are least likely to have access to employer-sponsored paid sick or medical leave. Based on results from IWPR's paid leave simulation model, 11.4 million family and medical leave claims would be paid in a calendar year and 6.5 million would support women and their families when they experience illness or a new child in their family. Benefits would partially replace usual wages. In the first year of the program (2024), women are estimated to receive and average weekly benefit of $541 and men $585. (Much of this gender difference reflects different work hours underlying usual weekly wages.)

Build Back Better will Make Early Care and Education accessible and affordable for Families

High quality early education makes all the difference for young learners, from improving test scores and attendance to strengthening literacy and building confidence (Education and the Public Interest Center & Education Policy Research Unit 2008). But it is out of reach for many families across the nation. Preschool in the United States costs about $8,600 per year, and is more in some states and cities.

Universal pre-K for 3- and 4-year-olds provides a foundation for lifelong learning as well as flexibility for working parents. The Build Back Better framework will:

- Enable states to expand access to free preschool for more than 6 million children per year

- Increase the quality of preschool for many more children already enrolled

- Overhaul the system and address widespread challenges with access, affordability, and quality in early learning for families.

Build Back Better will Strengthen the Long-Term Economic Security of Women and Families

Earned Income Tax Credit (EITC)

The Earned Income Tax Credit is lauded as one of the best anti-poverty tools at our disposal. Recent data estimates 16.4 million women benefit from the EITC, but the benefits do not always reach those in need of them. Building on this popular tool will create a path toward economic security for women, particularly young women and women without children.

Expanding eligibility will benefit an estimated 35 million households with 75 million people, particularly young women trying to break into the labor force.

By strengthening and expanding this tax credit, the Build Back Better Plan will:
- Allow childless women to claim the EITC at a higher rate, building a foundation for economic mobility and savings
- Increase the credit amount for all filers, providing a bridge to stability for low-income workers

Childcare Tax Credit

The Child Tax Credit in the American Rescue Plan provided the largest Child Tax Credit in U.S. history and delivered direct economic relief to working women and families. So far, more than 60 million children have benefitted from making the child tax credit refundable and child hunger and financial hardship for families have dropped significantly.

There are roughly 23 million children in the United States missing out on this benefit. The Build Back Better Plan would extend the historic expansion of the Child Tax credit to:
- Provide 39 million households and the parents of nearly 90 percent of American children with significant tax cut
- Cut child poverty nearly in half
- Deliver monthly payments to families – rather than annual refunds – to help cover gaps in funds for basic needs and care, helping women remain in the workforce

Nutrition and Food Insecurity

Nationally, more than 37 million Americans, including more than 11 million children, are food insecure. In households headed by single women with children, food insufficiency is three times higher than those headed by married couples — 27.8 and 8.3 percent, respectively (Coleman-Jensen et al. 2019). Women represent the majority of these households.

The Build Back Better Framework will reduce food insecurity for millions of families and children by:
- Invest $35 million in childhood nutrition programs
- Expanding access to in-school meals for an additional 9.3 million children
- Increasing the per child monthly benefit by $65 per child during the summer months

Higher Education and Training

Build Back Better will Expand Postsecondary and Training Opportunities for Women, and Expand Eligibility for Financial Aid and Grants

Postsecondary education and apprenticeship training is one of the surest routes to economic security and mobility for working women and their families. Holding a college degree or a training credential leads to increased earnings, higher employment rates, and better outcomes for graduates' children, among other benefits (Attewell and Lavin 2007; Hout 2012).

The Build Back Better Framework will increase educational access for women most impacted by job loss during the Covid-fueled economic downturn and provide opportunities for re-skilling and training, including:

- Increasing the maximum Pell Grant by $550 for more the more than 5 million students
- Providing financial aid to lower-income students, including roughly 3.8 million student-parents
- Investing in practices that help more students complete their degree or credential. Single parents are the most likely to have started but not completed a degree (26 percent) compared with married parents (18 percent). Creating sustainable infrastructure to support them will be key to women's economic equity.