

## An Open Letter to Senator Joe Manchin

December 20, 2021

The Honorable Joseph Manchin United States Senate Washington, DC 20510

**Dear Senator Manchin:** 

This is a season of hope, and so it was a shock to hear you appear at this time to have withdrawn from negotiations towards enactment of President Biden's Build Back Better initiative. On behalf of organizations representing millions of people nationwide, including people in West Virginia, we implore you not to close this door.

The human service providers, faith groups, labor, civil rights, policy experts and other organizations making up the <u>Coalition on Human Needs</u> share your concerns about the impact of surging COVID-19 cases as well as the toll of rising consumer prices. We know that these developments must be addressed, along with the threats posed by climate change. We understand that these multiple threats disproportionately affect people whose incomes are low. Further, respected economists are telling us that Build Back Better will shore up economic growth; failure to enact it will set us back. We strongly support the Build Back Better Act *because* of these concerns.

We underscore the costs of failure to negotiate and enact Build Back Better legislation: fewer jobs, lower pay, less protection from COVID, diabetes, and other disease, and more hardship for families, workers, and retirees in West Virginia and the nation.

**Build Back Better is needed to respond to the COVID surge.** The looming impact of the Omicron variant should be causing profound alarm. Build Back Better will help, by providing health insurance to millions of poor people so far excluded and by reducing insurance costs for millions more. The bill also requires Medicaid and CHIP to cover vaccines for adults, an essential part of the strategy to reduce the impact of Omicron and other COVID variants.

**Build Back Better is needed to protect families from inflation.** Rising prices are threatening families' ability to make ends meet. But economists, including those who build the University of Pennsylvania's Penn Wharton Budget Model, have found that Build Back Better will **not** contribute significantly to inflation, either in the near- or long-term. Penn Wharton economists conclude this legislation "would leave the near-term outlook for inflation essentially unchanged. The impact on the long-term outlook is even smaller; average inflation over the next decade would be roughly the same regardless of whether BBB legislation is enacted, even if major temporary provisions were permanently extended."

It is clear that provisions such as the expanded Child Tax Credit, child care and pre-k subsidies, and reductions in prescription costs will provide more income to families than inflation is costing them. In

West Virginia, 181,000 families with 305,000 children received the December monthly installment of the Child Tax Credit, averaging \$446. That's 85 percent of all West Virginia's children. If you walk away from the negotiations, these families will not receive that amount in January and thousands (millions nationwide) will not receive any Child Tax Credit payment for the 2022 tax year. With this income, families can cope with the rising cost of groceries, gasoline, and utilities, and still have money to buy their children winter coats and shoes. Nearly two-thirds of <a href="West Virginians">West Virginians</a> receiving the Child Tax Credit used it for food and clothing from July through October and close to half (48 percent) used it for housing and utilities costs; your constituents are more likely to use the CTC for these basic needs than families nationwide.

In another protection against rising costs, Build Back Better's reduction in drug prices includes a limit of \$35 for a month's supply of <u>insulin</u> (which can now cost diabetics \$1,000 per month). West Virginia has the highest incidence of diabetes of any state.

**Build Back Better will strengthen economic growth**. Economic forecasters <u>Goldman Sachs</u> and <u>Mark Zandi</u> of Moody's Analytics have both predicted reduced economic growth if Build Back Better is not enacted. Omicron is already threatening our fragile economy. To quote Mr. Zandi: "Without BBB, the economic recovery will be vulnerable to stalling out if we suffer another serious wave of the pandemic; an increasingly likely scenario with Omicron spreading rapidly."

Build Back Better helps families get by now, and it also invests over the long-term. In your state, the majority of families reported spending the CTC on food, and fewer parents said that in the previous week their household did not have enough to eat. Reduced child care and preschool costs mean parents can re-enter the workforce and children can learn more, with positive earnings consequences that will help both generations.

Many other provisions in Build Back Better are investments in needed services and good-paying jobs. West Virginia has the highest number of people with disabilities under age 65 of any state, and has the third highest number of people over 65. Build Back Better increases Medicaid funding for home and community-based services, which will both help West Virginia's people disproportionately and increase jobs and pay for vitally needed home care workers. Nearly one in four West Virginia home care workers live in poverty. West Virginia's home health workers earn \$24,385 on average, less than the national average of \$27,918. Increased home care jobs with higher pay will help more West Virginians make ends meet.

West Virginia has a <u>lower proportion of people in the labor force</u> than the national average: 52.9 percent of the civilian population is employed, compared to 61.8 percent nationally. Failing to enact Build Back Better means West Virginia will not gain jobs and pay in health care, child care and preschool, renewable energy, and more.

**Build Back Better protects West Virginia's workers and communities.** That is why the United Mine Workers of America International has asked you to revisit your current opposition. UMWA President Cecil E. Roberts <u>writes</u>: "The bill includes language that would extend the current fee paid by coal companies to fund benefits received by victims of coal workers' pneumoconiosis, or Black Lung. But now that fee will be cut in half, further shifting the burden of paying these benefits away from the coal companies and on to taxpayers."

West Virginians support Build Back Better. In a poll conducted this past September by Parents Together Action, more than 85 percent of respondents said it was "extremely important" that the Child Tax Credit payments continue after December. West Virginians overwhelmingly support requiring the rich and corporations to pay more in taxes as a means of paying for Build Back Better. By 70% to 24% in a different August poll, voters supported "clos[ing] the loophole that often allows the wealthy to avoid paying taxes on investment gains for their entire lives." The fair sources of revenue that are included in Build Back Better mean that the bill does not significantly increase the deficit.

Senator Manchin, so much is at stake, affecting the economic security of your constituents and people nationwide. Yes, we are facing serious threats from COVID and its continuing economic dislocations. But economists and the people of West Virginia are telling you that Build Back Better will help, without increasing inflation. It will strengthen our economy. Please listen to Eliza of Dille, just one of many West Virginians who have reached out to you: "The child tax credit checks have enabled me to buy a vehicle and help to make those monthly payments. This is a true life saver for us and an answer to long standing prayers. They offer breathing room for myself as a single parent, as well as so many others with children at home."

With sincere hopes that you return to negotiations,

Deborah Weinstein

**Executive Director** 

Coalition on Human Needs