

**RECOGNIZING AND BUILDING  
ON THE SUCCESS OF PANDEMIC  
RELIEF PROGRAMS**

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**HEARING**

BEFORE THE  
SELECT SUBCOMMITTEE ON THE CORONAVIRUS  
CRISIS  
OF THE

COMMITTEE ON OVERSIGHT AND  
REFORM

HOUSE OF REPRESENTATIVES  
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**RECOGNIZING AND BUILDING  
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**Wednesday, September 22, 2021**

HOUSE OF REPRESENTATIVES  
COMMITTEE ON OVERSIGHT AND REFORM  
SELECT SUBCOMMITTEE ON THE CORONAVIRUS CRISIS  
*Washington, D.C.*

The subcommittee met, pursuant to notice, at 1:44 p.m., in room 2154, Rayburn House Office Building, and over Zoom; Hon. James E. Clyburn (chairman of the subcommittee) presiding.

Present: Representatives Clyburn, Maloney, Foster, Raskin, Krishnamoorthi, Scalise, Jordan, Green, and Miller-Meeks.

Chairman CLYBURN. Good afternoon. The committee will come to order.

Without objection, the chair is authorized to declare a recess of the committee at any time. I now recognize myself for an opening statement.

As the coronavirus spread nationwide in the spring of 2020, the economic harm was immediate and devastating. Over 22 million people lost their jobs, and the share of Americans unable to afford their basic expenses, like food, housing, and healthcare, sharply increased.

Congress responded to this crisis with unprecedented relief legislation. That response worked. The relief packages we enacted, coming in with the American Rescue Plan, have eased Americans' financial hardships, reduced poverty, and supported a robust economic recovery.

Recent Census Bureau data show that the pandemic relief legislation, particularly the American Rescue Plan, helped millions of Americans pay their basic expenses and reduce the poverty rate even as the pandemic continued to wreak havoc on our economy. An analysis of Census data conducted by select subcommittee staff and released just this morning showed, that in the weeks after the American Rescue Plan's relief payments were distributed, the share of households without enough food to eat or were behind in rent both declined by almost 20 percent, and that continued for many months after the payments were made.

The select subcommittee's analysis is confirmed by many other studies. The Urban Institute estimates that the American Rescue Plan's direct payment, relief payments, child tax credit expansion, unemployment insurance extension, and other measures, are con-

tributing to the most dramatic poverty reduction on record with a particular significant decline for Black Americans.

This summer, as the Biden administration rolled out the American Rescue Plan's expanded child tax credits advance payments, families with children saw significant declines in food insecurity and poverty. One analysis found that just one child tax credit advance payment; 2 million fewer children went hungry. And another report found that the first payment lifted 6 million children out of poverty. Data released just last week also show that nearly 3 million Americans have gained health coverage through Affordable Care Act exchanges with the support of the American Rescue Plan's enhanced tax credits for health insurance. The ARP drove down premiums and healthcare costs for children in a wide range of income levels buying insurance on the exchanges, ensuring expanded access to healthcare as we continue to combat the pandemic.

In addition to relief measures that are directly alleviating hardship, the American Rescue Plan has supported a robust economic recovery. The United States' economy has grown at a rate far higher this year than most forecasters anticipated before its passage. And the United States is the only country among the G-7 Nations that has already recovered and surpassed its pre-pandemic economic output.

This economic growth has fueled a significant job recovery with over 3 million jobs created since the American Rescue Plan's passage in March 2021.

Despite the challenges presented by the spread of the Delta variant driven by the unvaccinated, the United States has added an average of 750 jobs per month over the last three months. For those American families still struggling, this vital financial assistance is continuing to provide an essential lifeline. The dramatic progress we have made in easing financial burdens and reducing poverty during this crisis shows that we can reduce economic disparities when we have the will. Now, in order to avoid a reversal of this progress, we must find the will once again.

The American Rescue Plan was designed as a temporary stopgap measure to rescue our economy from an unprecedented crisis. We must now extend many of its provisions and build on them to create a strong, sustainable, and inclusive post-pandemic economy. To achieve this, we must act to ensure that children are not mired in poverty, that people have access to affordable healthcare, that Americans have decent housing and the ability to care for their loved ones, and that all communities have the infrastructure necessary to connect them with opportunity.

Extending the child tax credit expansion, making health insurance more affordable, closing the Medicaid coverage gap, ensuring paid family and medical leave, and making broadband accessible and affordable are just a few of the steps we must take. They are just a few of the elements of the Build Back Better agenda which we must enact to build a better future for all Americans.

Before I yield to the ranking member, I want to respond to the letter he recently sent to me renewing his request that Treasury Secretary Yellen testify before the select subcommittee. As I responded earlier, I share his desire for a hearing with Secretary

Yellen, and my staff has been working diligently with the Treasury Department to schedule it. Given that this is a hearing the ranking member and I both hope to have, I would suggest that we have direct and private meetings to further discuss our preparations for a meeting with the Secretary.

With that, I now yield to the ranking member for his opening statement.

Mr. SCALISE. Thank you, Mr. Chairman.

I look forward to those discussions to followup and have that hearing with Secretary Yellen. Maybe you and I can have further discussions about having a hearing on the origins of COVID-19, something I will talk about shortly.

But, first, Mr. Chairman, to bring us to the subject of today, my colleagues on the other side of the aisle plan to use this hearing as an opportunity to show their massive spending and tax bill that is moving before Congress. But before we get into that, I want to direct everyone's attention to what is happening with the coronavirus and with the Biden administration, which I thought was supposed to be the purpose of this select subcommittee.

This virus has killed more than 672,000 Americans. The daily death count under President Biden's watch is now 2,000 Americans a day. Almost two years into this pandemic, and things are still this bad. Yet we still haven't had a hearing about where the virus came from. The United States' intelligence community has failed to reach a definitive conclusion about whether the coronavirus escaped from a lab in China or got into humans through an infected animal. We are in no better position to prevent the next pandemic today than we were before this subcommittee was created.

There are serious questions that have been raised about whether the United States played a role in funding gain-of-function research at the very lab that is suspected of engineering the coronavirus. Leaked documents from a FOIA request show that the U.S. Government gave \$3.1 million to the health organization EcoHealth Alliance, which funded coronavirus research at the Wuhan Institute of Virology, and that almost \$600,000 of that taxpayer money was partially used by the Wuhan lab to find and alter bat coronaviruses that could jump to humans and infect them. Why are we not having a hearing on this?

In fact, I was just a few hours ago today, in a meeting with the Prime Minister of Australia, and one of the things we talked about was the origins of COVID. And, in fact, he, the Prime Minister of Australia, called for an investigation into the origin of this virus over a year ago, Mr. Chairman, over a year ago. Now, he didn't say that he suspected where it started. He said: Shouldn't we investigate it?

And do you know what happened after that? China actually got into a trade war with Australia over that question, just the question of where it started. Maybe there might be a little guilt on their part that just raising the question of saying, "We're going to look into where this disease that killed over 600,000 Americans, millions globally, started from so we can prevent it from happening again," and as soon as you say that, China engaged in a trade war with Australia.

But at least Australia did not back down, Mr. Chairman. Australia wasn't bullied by China. I wonder if anybody who is blocking an investigation into the origins of COVID are more afraid of being bullied by China than they are by getting the facts to how this disease actually started as 2,000 Americans every single day are dying, and we still haven't had that hearing. We will continue to press for that hearing, Mr. Chairman. American people all across this country want to get those facts, deserve to get those answers. Australia's Prime Minister had the guts to go and ask that question. We ought to as well, and we are going to continue on the Republican side pushing for that very hearing.

Another area ripe for oversight is the Biden administration's political interference with the science. That's right. You heard President Biden talking for two years about, oh, there needs to be no political interference with the science except now that he is President, we see reports that he may be interfering with the science. This is what we have seen the President do.

Well, first, we already know that he went around the science when he catered to union heads to keep kids out of school. The science said keep kids in school, and the Biden administration threw that science out the window to bow to teachers' unions who wanted to keep kids out of school, which is destroying millions of kids.

And, most recently, the Biden administration prematurely announced that booster shots would be available this week, telling the American people that the vaccines have diminished efficacy over time. Then two career officials that are involved in vaccine review at the FDA departed, left the FDA amid concerns that the Biden White House was pressuring the scientists, pressuring them to recommend boosters before there was any data that backed it up.

Now the FDA advisory committee says, no, boosters are not broadly necessary yet. Talk about mixed messaging. Talk about the Biden administration interfering with the science. Maybe we should have a hearing on that.

Political interference at the FDA, which this certainly looks like, would be incredibly damaging to public confidence in the coronavirus vaccine and every other drug or treatment the FDA approves. That is why Oversight Committee Ranking Member Comer and myself sent a letter to the FDA to investigate this potential interference by the Biden administration with the science.

By the way, more than nine months into President Biden's term as President, and he still hasn't appointed an FDA Commissioner. We are in the middle of a pandemic where hundreds of thousands of Americans died, 2,000 Americans a day are dying, and President Biden still to this day, nine months in, has not appointed a head of the FDA. When you look at the lack of therapeutics, when you look at some of the rudderless ship accusations that are being made at the FDA because they don't have a head yet—the President still hasn't appointed a head of the FDA.

Mr. Chairman, maybe we should have a hearing in this committee into why the President of the United States will not appoint someone to head the Food and Drug Administration as we are in the middle of a pandemic. That would be an important hearing to



have. Maybe we could jog the President to actually appoint somebody to head the FDA and right this rudderless ship that we still see so many problems coming out of.

Just today, *The New York Times* extensively covered the lack of in-home testing options, the FDA's slow pace in approving testing options, not to mention the slow pace of therapeutics approval. Experts called the process for approvals, quote, onerous and inappropriate. Why don't we have a hearing on that? *The New York Times* said COVID isn't disappearing any time soon. So long as it continues to circulate and cause both serious illness and despite, rapid testing is arguably the only way that society can return to something that resembles normal life.

By the way, there is also a migrant crisis at our southern border. Thousands of people are pouring into the country each and every day. We know that many of them are bringing COVID into our country. Our own Border Patrol agents are telling us that, and yet the Biden administration is more concerned with putting masks on two-year-old children than imposing these kinds of restrictions to prevent COVID from coming into our southern border.

Surely these are topics worth looking into, and yet, here we are, examining ways to spend more money and further fuel inflation, which we know the spending is directly fueling, and then add mountains more debt to our children.

Today's hearing will be used to try to sell this Democrat socialist dream of a bigger welfare state. They want to spend \$3.5 trillion to raise taxes so that they can continue spending on all of these wasteful programs. They tout free money. Everybody knows there is no such thing as free money. Businesses couldn't find workers all summer long because the Democrats insisted on paying people more money not to work than to get back to work when "help wanted" signs are all across our country. Companies competing with Uncle Sam is something that most of them cannot do. And, by the way, to try to do it, they are raising prices. That is one of the drivers of inflation that is crippling so many families across America.

On top of that, the reckless government spending is causing inflation. Prices are up at the gas pump, at the grocery store. They are rising faster than wages. Even with wages going up, inflation is going up even higher. It is taking away any benefit that families are getting, and, in fact, the people hit the hardest, as we all know, from this inflation are the lowest income people.

I remember back when President Biden said nobody making under \$400,000 would see any kind of tax increase. Inflation is probably the biggest direct tax increase on low-income families, but they don't stop there. Their tax increase plan also goes after an energy tax. Yes, they are trying to raise taxes on things like natural gas, which many families use to heat their homes in a cold winter, to cool their homes in a hot summer, and yet people are going to see double-digit increases in their electricity rates if the Biden administration gets their way with their tax hikes. And who is going to pay the bulk of that? Yes, low-income families, breaking President Biden's pledge.

If you are making less than \$100,000, you will be paying more if President Biden gets his way on these tax hikes. That doesn't touch what happens if he raises income taxes which he is trying

to do. Everybody knows that not only will hurt wage growth, it is going to ship millions of jobs overseas. You don't have to wonder about it. It is what was happening before we cut taxes.

So, if you want to talk about how to get our economy back on track, there is a simple answer: It's get government out the way. Help businesses bring back workers. Help schools reopen and follow the science. The science says to do just that, but that's not what is happening. They are manipulating the science. The President continues to go around the science, continues to avoid appointing someone to run an agency that should be leading the science on things like more therapeutics. We would have less people dying every day if the President focused on that. That is why we should be having hearings on those issues, not on how to spend more money and saddle our kids with mountains more debt. Let's focus on solving real problems that we still have today instead of trying to cover them up, trying to cover up the President's failures, trying to cover up whatever China did that they clearly are concerned about because if they are going after Australia because Australia wants to find out where this thing started, maybe that should tell you something right there.

That is where our focus should be, Mr. Chairman. We will continue to press for that, and, with that, I look forward to hearing from our witnesses, and I yield back the balance of my time.

Chairman CLYBURN. Thank you very much, Mr. Scalise.

I am pleased to welcome today's witnesses. First, I welcome Diane Whitmore Schanzenbach, a professor and economist who serves as director of the Institute for Policy Research at Northwestern University. Professor Schanzenbach has studied the effectiveness of nutrition assistance programs and tax credits and has tracked data related to economic hardship through the pandemic.

Next, I would like to welcome the Reverend Starsky Wilson, who serves as president and CEO of the Children's Defense Fund. Dr. Wilson and the Children's Defense Fund are tireless advocates for the well-being of America's children and have highlighted the unique hardships children faced during the pandemic.

I would also like to welcome Luke Shaefer, professor and associate dean for research and policy engagement at the University of Michigan's Ford School of Public Policy. Professor Shaefer has analyzed data related to the economic hardships faced by Americans during the pandemic and the effects of pandemic relief legislation.

I would next like to welcome Indivar Dutta-Gupta, who serves as co-executive director of the Georgetown Center on Poverty and Inequality, which develops policy recommendations to address poverty and inequality and to expand economic opportunity.

Finally, I would like to welcome Douglas Holtz-Eakin, who serves as president of the American Action Forum.

Thank you all for taking the time to testify today. I look forward to hearing from our witnesses today on what we can learn from our pandemic response and how we can build on recent successes.

Will the witnesses please rise and raise their right hands? Do you swear or affirm that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

You may be seated.

Let the record show that the witnesses answered in the affirmative.

Without objection, your written statements will be made part of the record.

Professor Schanzenbach, you are recognized for five minutes for your opening statement. And feel free to let me know whether or not I have butchered your name.

**STATEMENT OF DIANE WHITMORE SCHANZENBACH, PROFESSOR OF HUMAN DEVELOPMENT AND SOCIAL POLICY DIRECTOR, INSTITUTE FOR POLICY RESEARCH, NORTHWESTERN UNIVERSITY**

Ms. SCHANZENBACH. It was perfect.

So, Chairman Clyburn, Ranking Member Scalise, and members of the committee, thank you for the opportunity to appear before you today at this hearing on recognizing and building on the success of pandemic relief programs. My name is Diane Schanzenbach. I am an economist and the director of Institute for Policy Research at Northwestern University.

As you know, the COVID-19 pandemic caused tremendous economic disruption with a swift and large decline in employment. This in turn led to purposeful increases and access to and participation in social safety net programs, such as unemployment insurance and SNAP. Both congressional and executive actions have further expanded the generosity of many of these longstanding programs.

Other programs were newly conceived during the crisis, such as the new pandemic EBT payments to make up for missed school meals. Researchers have found evidence that these relief programs have been successful in alleviating poverty and economic hardship and sustaining consumption during this time.

The official poverty rate in 2020 was 11.4 percent, up one percentage point over 2019, but a drawback of the official poverty measure is that it doesn't take into account many of the government programs designed to assist low-income families. The supplemental poverty measure takes these programs into account and highlights their important roles during the pandemic and recession.

After counting for the safety net response, poverty rates fell from 11.8 percent in 2019 down to 9.1 percent in 2020. This is a tremendous policy success. The first two rounds of economic impact payments lifted 3.2 million children out of poverty, a larger impact than any other program studied. The earned income tax credit and child tax credit lifted 2.7 million children out of poverty, and SNAP and school lunches lifted 1.3 million children out of poverty.

Now, child poverty is a serious problem in the United States. Children growing up in poverty begin life at a disadvantage. On average, they attain less education, face greater health challenges, and are more likely to have difficulty obtaining steady and well-paying employment in adult life. A panel of experts convened by the National Academy of Sciences estimated that, because of such effects, childhood poverty costs our economy between \$800 billion and \$1.1 trillion every year.

Now, against this backdrop, a fully refundable child tax credit, delivered on a monthly basis, will provide a reliable \$250 to \$300 per month per child to sustainably provide financial stability for children and their parents. While this is insufficient as a sole income source, it will help families make ends meet and alleviate parents' stress and help them focus on their work and their families.

Now, until the American Rescue Plan, the CTC was primarily targeted to middle class families, and it had only been partially refundable, meaning that families who owe little or no income tax weren't eligible for the full credit. As a result, due to their family's low incomes, 1 in 10 children received no CTC benefits and 1 in 4 received only a partial amount. In other words, 27 million of the children who needed it most received less or no help from the CTC. This includes roughly half of all Black and Hispanic children and children who live in rural communities.

Due to the American Rescue Plan, now almost all of these children receive the full benefit amount. If these changes are made permanent, they are projected to cut poverty nearly in half for children.

Full refundability will help workers in low-paying sectors, who previously only earned enough to claim a partial CTC. These are workers in occupations such as cashiers, nursing home aides, cooks and janitors, salespeople, the essential workers who have been keeping our economy running during this pandemic.

The expanded CTC will promote our country's long-term economic prosperity. We have a lot of research on this, showing that reducing child poverty increases education outcomes with fewer school absences, higher test scores, improved graduation rates. It also improves health and reduces crime.

Low-income children who benefit from safety net programs during childhood grow up to be more likely to be employed and earn more as adults. And, as a result, expanding the CTC will yield a long-term financial payoff for us. In fact, once the full benefits of the CTC are accounted for, the net cost to taxpayers of the expansion seems to be as little as maybe 16 cents for every dollar of new benefits.

It's, of course, important to consider potential impacts of an expanded CTC on parents' incentive to work. Empirical studies suggest that the income provided through the CTC is unlikely to meaningfully reduce parental labor supply. Most parents would continue to work, and few would substantially reduce the number of hours they worked. A permanently expanded CTC would yield tremendous, immediate, and long-term benefits for children and their families and would be unlikely to meaningfully reduce employment. Recently, I co-authored a letter highlighting these same points that was co-signed by over 460 economists.

For the good of the Nation, we need to be investing more in children than we have been. The enhanced CTC is an important start. Thank you, and I look forward to questions.

Chairman CLYBURN. Thank you very much, Professor Schanzenbach.

Now, before I yield to Dr. Wilson for five minutes, let me yield the gavel to Congressman Foster, who I think has already voted on

this issue as I go vote, and, hopefully, I'll return by the time—before your time expires for your next vote. So, with that, Dr. Wilson.

**STATEMENT OF REV. DR. STARSKY WILSON, PRESIDENT,  
CHILDREN'S DEFENSE FUND**

Rev. Dr. Wilson. Thank you, Chairman Clyburn. Good afternoon, Ranking Member Scalise, distinguished committee members. Thank you for this invitation to testify on Federal efforts to help the 74 million children in America, especially Black and Brown children, during the pandemic. Let me also thank and acknowledge the other distinguished panelists that are here with us today. I look forward to continuing to learn from each and every one of you.

We're grateful for the opportunity to share, and I'm honored to offer testimony on behalf of the Children's Defense Fund. And as its president and CEO, CDF has advocated for children across America for nearly 50 years. We live in a Nation where marginalized children flourish, where leaders prioritize their well-being, and where communities wield the power to ensure they thrive.

Clearly, COVID-19 has highlighted and illuminated systemic inequality, structural racism, and disinvestment in our Black, Brown, indigenous, and immigrant communities that left us unprepared to deal with a national crisis. These families were more likely to lose their jobs, contract the virus, be hospitalized, and die because of COVID-19. And a year and a half later, our communities continue to struggle.

New data from the Census Bureau shows that more than 11.6 million children, nearly 1 in 6, lived in poverty in 2020. This represents the first increase in child poverty in many years. Fortunately, expansion in antipoverty programs made as part of the temporary COVID relief reduced that hardship. Now these measures must be made permanent.

The pandemic highlighted the need for guaranteed income for families. The American Rescue Plan included a one-year expansion of the CTC, which you've heard before, that boosted its value, allowed half to be paid monthly, and extended it to more than 23 million additional very low-income children, predominantly Black and Latinx children.

The expanded CTC is predicted to lift more than 4 million children out of poverty and begin to close racial income gaps, cutting poverty in half for Black, Hispanic, AAPI children, and by 61 percent for indigenous children. In its first month, the expanded CTC reduced food insecurity by more than 30 percent and kept 3 million children from poverty.

Families have told us how this benefit—how important this benefit is. I quote: The monthly payment means not having to pick up extra shifts and more time with my family, one parent said.

Another said: It would mean emotional relief knowing that I don't have to worry about feeding and providing basic essentials for my children.

The Build Back Better Act would expand the CTC through 2025. Congress must pass it without weakening it and keep fighting to make the expanded CTC permanent.

The pandemic also exacerbated child hunger and demonstrated the importance of universal free school meals. The USDA was given authority to help schools feed children safely and conveniently last year. This allowed schools to serve over 3.2 billion free healthy meals to more than 22 million children, more than half Black and Brown children. This authority will expire soon. Congress must extend it to ensure schools have the flexibility they need to keep children fed. Failing to do so could plunge millions of marginalized children back into food insecurity.

Long term, the Build Back Better Act would get us closer to universal school meals, extending them to 9 million more children. This is critical because 10.8 million children, 58 percent children of color, live in households earning too much to qualify for free meals but too little to get by. Congress must pass the Build Back Better Act and continue to push for universal free school meals.

Finally, we must support the roughly 20,000 children in foster care who are cutoff from support every year when they reach adulthood without a permanent family. When COVID hit, more than half of our foster youth faced food insecurity. Two-thirds reported cuts to work hours or lost jobs, and only 37 percent reported having family to turn to. The consolidated Appropriations Act of 2021 provided \$400 million to help former foster youth get by and gave flexibilities to the child welfare system to care for them. Many of the provisions of the law will expire September 30, and thousands of youth will be ejected from services, keeping them from poverty and from being unhoused. Congress must pass H.R. 5167 before September 30 to extend these supports so no child will be sent from foster care into homelessness in the streets.

Families need support throughout the duration of this crisis and economic downturn to protect children from the harms associated with poverty, hunger, housing insecurity. And, furthermore, once the crisis passes, Congress should adopt permanent measures to ensure children and families are always supported.

Children, I say as a minister, are a gift from God. They are a treasure to us. I thank you for the opportunity to speak today and look forward to hearing more from the members of the committee on how we will care for this treasure.

Mr. FOSTER.[Presiding.] Thank you, Dr. Wilson.

And we will now hear from Professor Shaefer.

Professor Shaefer, you are now recognized for five minutes.

**STATEMENT OF H. LUKE SHAEFER, PROFESSOR OF SOCIAL JUSTICE AND SOCIAL POLICY AND ASSOCIATE DEAN FOR RESEARCH AND POLICY ENGAGEMENT, GERALD R. FORD SCHOOL OF PUBLIC POLICY, UNIVERSITY OF MICHIGAN**

Mr. SHAEFER. Chairman Clyburn, Ranking Member Scalise, members of the committee, thank you for the opportunity to speak with you today.

In early March 2020, I was deeply concerned about the impact of the coronavirus pandemic on the economic security of low-and middle-income Americans. I was especially worried about families with children who have the most trouble making ends meet and who, in this pandemic, faced massive job loss as well as school closures. Looking back today, there is no question this has been a

time of trial for American families. Yet it has also proven to be a time when government worked, when public policy shielded millions of families from economic crisis like we have never done before.

The social safety net response ushered in by the bipartisan CARES Act and continued in the December COVID relief bill and the American Rescue Plan is truly historic. A wealth of evidence now shows it has proven incredibly effective. I believe this success is due in large part to the speed and flexibility of a broad-based approach that prioritized putting money in people's pockets through EIPs and expanded unemployment insurance. American households spent this help on food, housing, and other needs. They paid down debt and got themselves on sure financial footing.

Much of my research during COVID-19 uses the Household Pulse Survey, which the Census Bureau has fielded since April 2020, to better understand how Americans are dealing with the public health and economic crisis. In a report in the summer of 2020, we found that, despite historically high unemployment, rates of hardship were stable and, in some cases, declining following the rollout of CARES. In line with this, this month, the USDA reported that annual food insecurity in 2020 did not rise for the population and increased only modestly among households with children. I never could have imagined that would be true when this crisis started.

When we updated the Pulse data a few months later, though, we could see that things took a wrong turn in November as infections rose and the economic recovery stalled. Hardship was on the rise. By the end of 2020, I believe we were headed in the wrong direction without further Federal action. Then Congress acted twice through the COVID-19 relief bill and the American Rescue Plan, and we could see the impact in the Pulse data clear as day. From December 2020 to April 2021, food insufficiency plummeted by 40 percent, financial instability dropped by 45 percent, and the reports of adverse mental health problems fell 20 percent. Hardship has inched up in recent months as we get further away from the EIPs but remains well below levels seen last December.

Scores of other studies come to similar conclusions about the success of this unprecedented safety net response. The credit scores of Americans are better now than in 2019. Credit card debt is lower, and fewer people are missing payments. Available evidence indicates this is true for Black and Hispanic Americans as well as Whites. A study by the Federal Reserve found that more households could cover a \$400 emergency expense in July 2020 compared to October 2019. Other researchers have found spending fell off a cliff as the pandemic started but, following the CARES Act, immediately rebounded in striking fashion.

Nearest to my heart is the expansion of the child tax credit. With monthly advance payments that rolled out this past July, this policy holds the promise to cut child poverty by 45 percent and eradicate its most extreme forms. As those payments rolled out, we've already heard, once again, we saw food hardship drop. We saw poverty drop as this help was delivered, this time among those with children.

None of these programs work perfectly. Some have not gotten the help they needed. Yet, while we should always think about how we can do better, I think it is also critical to recognize the successes we've had. This is the best, most successful response to an economic crisis that we have ever mounted, and it's not even close. I hope we can carry the bipartisan blueprint forward.

A word of caution: Expanded unemployment insurance has expired, and the evidence from states where it's ended early sees no increase in employment but a definitive rise in hardship. I hope I'm wrong, but I expect the next few months will be harder for many. Most importantly to me, I urge you to make the expansion of the child tax credit permanent. This policy holds the promise to dramatically reduce child poverty, especially among children of color. It recognizes that raising kids is expensive, and society has a reason to come alongside parents in that work.

Research indicates that we'll benefit from this investment for years to come. We are at a crossroads, and you have the power to chart a very different path forward. I am deeply grateful for what you have done for American families so far, and I hope you will take the next step to make a very different future possible. Thank you.

Chairman CLYBURN.[Presiding.] Thank you very much, Professor Shaefer.

Thank you very much, Congressman Foster, for continuing this process for us. I just cast my vote, and I am still open for you. Thank you.

Let us now yield five minutes to hear from Dr. Holtz-Eakin.  
Dr. Eakin, you are recognized for five minutes.

**STATEMENT OF DOUGLAS HOLTZ-EAKIN, PRESIDENT,  
AMERICAN ACTION FORUM**

Mr. HOLTZ-EAKIN. Well, thank you, Chairman Clyburn, Ranking Member Scalise, and members of the committee for the privilege of being here today to discuss these issues. I want to make three main points, and then I look forward to answering your questions.

Point No. 1 is that 2020 saw an incredibly effective response to the COVID-19 recession, and it occurred on a bipartisan basis. In 2021, however, we need to do something different, and we have, but it's not been nearly as well designed and effective as I would have hoped. And, going forward, any growth in antipoverty strategy should focus very, very strongly on education, educational attainment, building skills, and doing this in the environment of rapid job growth. Let me expand on each of those.

The response in 2020 was just terrific. I would concur with Dr. Shaefer in that this is the best response to an economic crisis that we've ever seen. It was timely. The CARES Act passed in March and the Consolidated Appropriations Act in December were done on a bipartisan basis at times when increases in cases had threatened the progress of the U.S. economy in strong and severe ways, so Congress acted appropriately and quickly.

It was done to the appropriate scale. The U.S. economy contracted by 10 percent in the second quarter of 2020. For perspective, in 1932, the worst year of the Great Depression, the U.S. economy contracted by 12 percent, so we experienced an extremely



severe downturn in the spring of 2020. Congress responded with an extremely strong response in the CARES Act. A 10-percent of GDP response was necessary, and the Congress delivered it. It was also, by and large, well designed. There's going to be lots of Monday morning quarterbacking, but, on the whole, I thought that the CARES Act targeted funds effectively. There are some design issues with unemployment insurance that certainly are worth meriting discussion, and lending facilities at the Federal Reserve never turned out to be what we had hoped, but I think on the whole, it's very difficult to complain about that.

Turning the corner to 2021, we started to see something very different. The American Rescue Plan is none of the above. It certainly is very poorly timed. At the time of its passage, the U.S. economy, if you looked at the real-time data, was growing at about a 6 1/2 percent rate. There was simply no need for further stimulus. We should have turned the corner toward longer run planning for economic growth.

It was not appropriately scaled. It was much too large. At \$1.9 trillion, it was anywhere from four to five times larger than most estimates of the output gap, the gap between potential to produce and actual GDP in the economy. So it was something that we really didn't need that much of.

And it was incredibly poorly designed. It was not targeted on COVID-19. In some cases, we had bailouts of multi-employer pension plans. It wasn't targeted on anything in the near-term radar screen at all.

And so it flunks those tests of being appropriate in design and scale and timeliness.

And the results were undesirable. It didn't move the needle on growth at all. We grew in the second quarter at roughly the same rate we grew in the first quarter, but it did move the needle on inflation. First, asset price inflation. We saw sharp rises in cryptocurrencies, equities, home values, and then translated into consumer prices where over the first half of 2021, the food, energy, and shelter components of the CPI rose at a 10-percent annual rate, not something that's terribly desirable.

The next in line is the Build Back Better Act. This is something that is not a pro-growth proposal. In research that we commissioned at the American Action Forum, we took a serious look, using a model just like the joint committees, at what happens if you raise taxes of that type, spend it exclusively on productive infrastructure and R&D, and the answer is you get negative economic growth.

The actual Build Back Better Act does not exclusively target productive investments. Instead, it has a large amount of expansion in social safety nets, and it is not fully paid for and will increase the structural deficit for years to come. That combination makes it an undesirable platform for stronger long-running growth and anti-poverty efforts.

In closing, I would say that the most important thing to remember about poverty is it shouldn't be defined as the absence of material well-being. It should be defined as the inability to be economically self-sufficient, and we need to focus our efforts on generating economic self-sufficiency, providing people with education, skills,

and having them take—deploy those skills in a rapidly growing economy with lots of job openings.

So I thank you for the chance to be here, and I look forward to your questions.

Chairman CLYBURN. Thank you, Dr. Holtz-Eakin.

Finally, we hear from Mr. Dutta-Gupta.

**STATEMENT OF INDIVAR DUTTA-GUPTA, CO-EXECUTIVE DIRECTOR, GEORGETOWN CENTER ON POVERTY & INEQUALITY, GEORGETOWN UNIVERSITY LAW CENTER**

Mr. DUTTA-GUPTA. Thank you, Chairman Clyburn and Ranking Member Scalise and members of the subcommittee. My name is Indivar Dutta-Gupta, and I'm co-executive director of the Georgetown Center on Poverty and Inequality. I'm honored to be here before this subcommittee to discuss the historic relief measures put in place in the COVID-19 pandemic and the importance of permanent improvements to our social protections system.

The policies we're discussing, from the earned income tax credit and child tax credit to unemployment assistance and caregiving supports, are central to building an equitable and prosperous Nation. Earlier this year, policymakers enacted the American Rescue Plan, one of the largest Stimulus Plans in our Nation's history. Their plan wasn't perfect, but it built off of three previous bipartisan relief measures to significantly mitigate poverty and hardship. These temporary Federal relief efforts, especially those boosting household incomes and ensuring people's access to essential services, played a central role in stabilizing families and our Nation's economy while pushing back on racial and gender inequity.

Unprecedented Federal support allowed families, businesses, and the economy to begin to recover from the pandemic's economic shock much faster than after the 2007 to 2009 financial crisis. In fact, amidst the deepest economic and labor market contraction in generations, the United States may have achieved its lowest poverty rate on record last year, a stunning outcome attributable in large part to the Federal fiscal response. The impact this year could match or exceed what was achieved in 2020, especially if the new child tax credit reaches eligible families through a whole-of-society effort.

Now, unquestionably, Federal relief measures have been substantial, but a response of such a scale was made necessary in part by the twin challenges of extreme preexisting inequality and an unusually weak baseline of support for struggling families in this country. Entering the pandemic, our economy was characterized by enormous income and wealth disparities and widespread racial and gender gaps in education, housing, the labor market, and beyond.

At the same time, the United States' social protection system lacked key provisions and investments. Unlike other wealthy nations, we had no national paid family and medical leave program, no sick leave guarantee, no child allowance or robust cash assistance, no unemployment assistance for new job seekers or returning workers, and no health coverage guaranteed.

And, despite Federal relief measures, our economic recovery has slowed. As of last month, we are 5.3 million jobs below prepandemic levels and up to 9 million jobs short of prepandemic

trends. To ensure that our post-pandemic economy is stronger than our prepandemic one, we'll need ongoing investments that ensure an equitable distribution of opportunity and resources to combat the systemic inequities that hinder our economic prosperity.

Rebuilding our government through permanent structural Federal policy changes can prevent an uneven recovery where the wealthy are back to a prepandemic normal and everyone else feels the economic aftershocks of the recession for several years, as happened after 2009.

Policies in the Build Back Better proposals, with some crucial additions, would provide needed investments to help families hit hardest by the pandemic recover and reduce poverty in hardship for generations to come. In particular, our social protection system could be strengthened further by making permanent expansions of the child tax credit and earned income tax credit, closing Medicaid health coverage gaps, fully funding housing assistance, establishing a comprehensive national paid family and medical leave program, transforming early childhood education and long-term care, modernizing unemployment assistance, establishing a large-scale national subsidized jobs funding stream, and ensuring that immigrant and mixed status families are eligible for and access Federal support.

A well-functioning economy ensures widespread economic prosperity and ensures that all of us, not just the wealthy and well-connected, are prepared for and supported to withstand crises. The next crisis may not be national or a pandemic, but it will come. Returning to our prepandemic social policies exposes Americans' livelihoods to needless risks in the face of climate, economic, public health, national security, and other threats. We have a chance to learn from, improve upon, and extend our remarkable successes responding to the financial insecurity families face during this pandemic. The combination of the bipartisan infrastructure package and reconciliation bill moving through Congress could offer American families and the American economy transformational benefits, including by increasing labor supplies, meeting our national caregiving needs, and raising productivity. The revenues dedicated to paying for some of these investments could push back against concentrated private wealth and power, reduce inflation, and level the playing field for small businesses and working and middle class American families.

Now is the time for policymakers to build upon our extraordinary pandemic relief measures and make structural changes that protect all American families and our economy against future threats. Thank you.

Chairman CLYBURN. Thank you very much, Mr. Dutta-Gupta.

Thanks to all of you for your testimony here today, and I hope to now begin the questions.

Now, each member will have five minutes for questions, and I now recognize myself for five minutes.

Now, I want to really address a question to Dr. Holtz-Eakin.

Dr. Holtz-Eakin, I represent a congressional district in South Carolina. I've studied history pretty much all of my life. I know a whole lot about what happened after the Great Depression, and it seems if you only measure progress by how much the economy

grows. I know how the pockets of poverty that I now represent, how they were created. And I do believe that, if you look at the poverty rate, the reduction that we experienced after the CARES Act, et cetera, that would be a pretty good measurement for a lot of people.

But what I want to know is you think that the only success programs can have is if the economy grows without regards to everybody being brought along with it? I'm at a loss as to how you measure success. Can you explain a little bit to me, what you would do about all those people that were left behind back in the 1930's and that if we're not careful and we're not sustaining what we've done as we've done with the Rescue Act, why do you think that would be a failure? Let me remind you that I just I heard from the leader, the minority leader in the Senate, that we must protect the full faith and credit of the United States of America by raising the debt limit, but the Democrats must do it alone, which means that if we do it, it is going to be bad because it's not bipartisan. That's what you sound like to me. Kind of explain that to me.

Mr. HOLTZ-EAKIN. Well, I am certainly happy to urge Congress to either suspend or raise the debt limit. And I am not wise enough to counsel you on how to get the votes in both the House and the Senate, but the consequences of failure to do so would be severe, and it is something I urge you to get done.

As for the first part of the question, let me say a couple things. One, there is no single measure of success, and you're right about that. And it's certainly not the case that simply having growth in aggregate GDP guarantees broad well-being. I concur with that. It seems to me that in this moment, the important thing to do in 2020 was to address the root causes of the pandemic recession, which, as I mentioned in my opening remarks, was very swift and very severe. Those root causes are different than any other recession the United States has ever had. If you look at the data, income grew in 2020 and so did wealth. In the 20th century, we saw income fall during recessions. In the 21st century, wealth has always fallen. We had big financial crises.

This isn't like those. And so, if you want to look at the root causes, you have to deal with, first, the public health emergency that is the coronavirus and the threat of COVID, which prevented people from going to work and which interfered with the operation of especially the service sector that involved personal contact, and the spending in that service sector really was largely dominated by high-income Americans, who cut back on their travel, going to shows, staying in hotels, eating at restaurants, all of that. And, as a result, the employment in those sectors fell dramatically, and that was largely lower income, less skilled Americans.

And so an effective response in 2020 got people who weren't going to be helped by a check, who didn't need anything in the way of the elaborate programs that were in the CARES Act, but really were afraid of the public health threats. And so deal with that. I think, as I said in my opening remarks, the Congress on a bipartisan basis did a tremendous job in 2020.

That's not the job in 2021. 2021 is about how do you take those areas which have chronic poverty, those areas which do not experience rapid economic growth and have them improve over the long

term. And there I think the data are quite clear. The dividing line between poverty and nonpoverty in the United States is work. And having people have the capability, the education, and skills to work, and an economy growing rapidly enough to have a job to give them the opportunity to work is the recipe we need to focus on.

Chairman CLYBURN. I appreciate that, but let me say this: I think that the income and wealth gap grew. You're telling me that income grew and wealth grew. Why, then, do we have an increase in the income and wealth gap?

Mr. HOLTZ-EAKIN. The other unique feature of this recession is that it did not hit the economy in equal fashion. It hit it very unequally. If you were a person like myself, your recession was probably over by August 2020. But it was a prolonged period of unemployment for less skilled, less experienced workers and those especially concentrated in the personal-service sector, leisure and hospitality being the poster child for prolonged downturns.

So this recession's all about inequality. It hit the economy very unequally. And that needed to be thought about in the response, and I think it was to a great extent.

Chairman CLYBURN. Well, thank you very much. I agree that it was uneven. And that's why we have the American Rescue Act.

With that, I'll yield to Mr. Scalise.

Mr. Ranking Member?

Mr. SCALISE. Thank you, Mr. Chairman.

And as the chairman, Mr. Holtz-Eakin, was talking about how you measure success, before the government goes and spends trillions more dollars, most of which would be borrowed from our children—this isn't money sitting in a piggy bank somewhere. This is money that doesn't yet exist. And some of it would be raised in new taxes, which would hit low-income families the hardest. Some of it would just be borrowed, and borrowed from kids.

I know the term "generous" was being used earlier, as if you're being generous if you're, you know, just spending money wildly. I would argue, charity is being generous with your own money, but theft is being generous with your kids' money. And that's the real concern here.

But before we talk about how much new money they're trying to spend, why don't we look at what actually did help improve success for families, especially low-income families?

I know you're very familiar with the Tax Cuts and Jobs Act. When we actually cut taxes, lowered our rates to make our country competitive, we brought millions of jobs back to our country. But if you look at what happened, the unemployment rate reached a generational low, with record low unemployment rate for women, for people of color, for workers without a high school degree. The economy gained nearly 5 million jobs before the pandemic.

You saw businesses starting to reinvest again, making businesses and workers more productive, while boosting worker wages. That's where we saw real success. Workers' net worth soared during that period when we cut taxes prior to the pandemic.

Low-and middle-income families, by the way, saw the largest gains in wealth growth in 2018 and 2019. And that's according to the Federal Reserve. Low-income families saw their net worth in-

crease 37 percent. So the lowest-income families benefited the most by cutting taxes, making our economy productive again.

So production isn't just about GDP; it's about creating a new middle class. We rebuilt the middle class. Would you agree with that assessment from the Federal Reserve and other results that we've seen from cutting taxes?

Mr. HOLTZ-EAKIN. Yes, I thought the Tax Cuts and Jobs Act was a very important reform.

Mr. SCALISE. And if you look at what this proposal is we're seeing moving before the House right now, to go the other direction, to raise taxes—and, again, the President's out there promising, if you make less than \$400,000, you won't see a dime in new taxes.

Mr. Holtz-Eakin, if there is, as in this bill—if they get their way and they raise taxes on natural gas, would only people making over \$400,000 pay that tax?

Mr. HOLTZ-EAKIN. No.

Mr. SCALISE. Who would probably be hit the hardest from that kind of tax increase?

Mr. HOLTZ-EAKIN. That's going to be hit families with small budgets, who spend a bigger fraction of their budget on those core necessities.

Mr. SCALISE. Wow.

And if you listen to people up here, they're acting as if, don't worry, it's just those millionaires and those billionaires, as if this is going to be shielded, as if no jobs are going to go to China.

As you just said, as anybody with common sense says, if you raise taxes on things like natural gas, everybody pays it. In fact, hospitals pay it.

Would not healthcare costs go up if hospitals are paying a 14-percent increase on their electronic bills?

Mr. HOLTZ-EAKIN. Certainly. Core cost structures would go up across the economy. You can't separate one group of people from the operation of the entire economy. That's one of the basic lessons of economics.

Mr. SCALISE. Yes.

And, in fact, if you look at President Biden's promises, they all said, don't worry, you're not going to see a tax increase if you make under \$400,000, don't worry, your healthcare costs won't go up. All that's broken—broken—if they get their way and they pass this bill to raise taxes, and raise it, by the way, trillions of dollars.

Let me ask you, right now, when you look at the unemployment rate, when you look at the job openings, have you seen numbers that I've seen that show that there are more job openings today than there are people looking for work?

Mr. HOLTZ-EAKIN. Yes. There are roughly 8 million, a little above, unemployed people and about 10-1/2 million job openings in the U.S.

Mr. SCALISE. And would that be one of the drivers of inflation that you're seeing right now?

Mr. HOLTZ-EAKIN. The driver of inflation is, we've got big supply constraints because we're not getting people back to work, and we pumped \$1.9 trillion into an economy that already had loose monetary and fiscal policy. And inflation is the inevitable result.

Mr. SCALISE. Yes. And inflation is probably one of the biggest problems I hear about from families, especially low-income families. They're the ones who were hit the hardest by all this inflation driven by President Biden's spending.

But let me ask you this. Because the President—President Biden's director of the National Economic Council just recently said—his name's Brian Deese, and he said that if Americans don't buy meat they won't feel inflation. I'm not sure what world he lives in, but, I mean, if this is one of the top advisors to the President of the United States, it's no wonder why their economy is in disarray, why inflation continues to soar.

Do you agree with Brian Deese, the President's director of National Economic Council, that if Americans don't buy meat they won't feel inflation?

Mr. HOLTZ-EAKIN. I do not agree.

Mr. SCALISE. It's a ridiculous statement. Maybe we could have him in for a hearing as a witness to explain how he could be so out of touch with what most American families are facing: higher inflation, higher costs, lower wages when you factor all that in. And then that's before they raise trillions in new taxes, plus trillions in additional debt, borrowed money from our children.

Let's stop this madness. Let's get things back to where they were when it was going well with the lower tax rate.

With that, I yield back the balance of my time.

Chairman CLYBURN. Thank you very much, Mr. Ranking Member.

I am now going to yield five minutes to Mrs. Maloney.

Is Mrs. Maloney with us?

I'll now yield five minutes to Mr. Foster.

Mr. FOSTER. Thank you, Mr. Chairman. Am I audible and visible here?

Chairman CLYBURN. Yes, sir.

Mr. FOSTER. OK.

Well, one of the key parts of our fiscal response to this crisis were the direct cash payments, which went to over 160 million households, which allowed Americans the flexibility to—and the freedom to prioritize their family's core needs during a pandemic and had a wide range of impacts.

Through a series of relief bills, American families making less than \$150,000 per year received economic impact payments of up to \$1,200 per adult and \$500 per child and a second round of payments of up to \$600 per individual and, under the American Rescue Plan, a third round of \$1,400 per individual.

Professor Shaefer, you published some striking data on material hardship during this pandemic. Your analysis shows the importance of the relief that we distributed and how important it was to the American people, through the CARES Act and last year's appropriations bill and in the American Rescue Plan.

Can you tell us a little of what you saw in terms of the impact of the pandemic relief bill's economic impact payments on people's ability to afford food, basic expenses, and how they affected the neighborhoods as well as the direct individuals who received the payments?

Mr. SHAEFER. We've really been blessed with more data this time around than we've ever had in a previous recession, and, especially because of the Pulse Survey, we could see how families were doing week to week.

And you see those stimulus payments go out, and, bam, food hardship goes down, financial stability goes down. People are using that money at the grocery store. They're paying their landlords. They're paying their mortgage holders. That's part of why we see credit scores have gone up from where they were.

When you think about the strong years, starting in the Obama Administration, job growth that lasted and the longest economic expansion in history—and we're talking about families being on better financial footing than they were before then. They spend that money at their utilities, their propane gas providers, and healthcare.

In a recent paper I had published in Health Services Research, we see, as expanded unemployment insurance goes out, that people return to the healthcare office. I think a lot of people thought people were only staying away at the very beginning of the crisis because of health factors, but we also know, as those job losses piled up, that they were maybe not going to the doctor because they couldn't afford the copays.

So it's really quite striking, I think, that all of the witnesses say, especially this framework, with those stimulus economic impact payments, expanded unemployment insurance last year, that really created a framework that we need to take into the next recession, I think, beyond more broadly, because I, for one, would take this recovery over any past that we've ever had, eight days of the week.

Mr. FOSTER. Yes. And I think you're right about the data that we're going to get from this. I mean, there's going to be just a—it's really a rich trove of data for economists and behavioral economists. Because I think there are a lot of myths out there about people who receive direct payments will just sit around, you know, sit around on the couch, playing video games and waste the money.

What are the factors that you think made these payments so effective? And what could we do, you know, to—you know, if immediacy was important, what can we do to improve that, or other factors that you can tease out of the data so far?

Mr. SHAEFER. As Mr. Holtz-Eakin mentioned, it was a fast response. And one of the great things about providing these cash transfers is that you empower families to say, you use the money on the things that you need the most. Right? If you need it—if you need food, go use it on food. And we saw huge numbers of families using it on food. If you need it for the rent, use it on the rent. So there's an empowerment factor.

But there's also this flexibility. There's this—you know, there's a libertarian argument here, too, that providing those cash transfers means we can cut through the red tape. We don't have to figure out how to means-test it. By making a broader group of the population eligible, we don't have to spend so much of government resources finding out, are you above or below some sort of line?

And I think we can argue where the upper bounds should be, but when we see these payments really mattering for people well up the economic distribution—you're seeing improvements among fam-



ilies who are at \$60,000, \$70,000 a year—we know that we can save that money, we can be more efficient, by providing cash transfers fast and that families use that money to meet their basic needs and they're better off for it.

Mr. FOSTER. Yes. And I think it was—you mentioned libertarian wisdom—Milton Friedman that said, you know, there are these poor people, but they don't really need more government programs, they need money. Was that—I think I've heard that attributed to Milton Friedman.

Mr. SHAEFER. That's right. Milton Friedman was one of the proponents of a negative income tax, which goes to the same exact principle as what we did, to say, when people need help, the most efficient thing to do is to provide the cash and not spend a lot of that money into extra services that pretend that we know what families need, when, really, they're the experts and they can make those decision.

And now we have this incredible evidence, in the greatest economic crisis of all time, that that strategy works and families use the money for things that make them better off and make society better off.

Mr. FOSTER. Yes. Thank you.

And my time has expired, and I yield back.

Chairman CLYBURN. Thank you very much, Mr. Foster. Thank you so much. I've got to go vote, so I'm going to yield the gavel to you once again, as I recognize Mrs. Maloney for five minutes.

Carolyn?

Mrs. MALONEY. I'm here. Can you hear me now?

Chairman CLYBURN. We hear you now.

Mrs. MALONEY. OK. Thank you, Mr. Chairman.

The pandemic has underscored the importance of allowing workers in the United States to take time off from work if they get sick or need to take care of a loved one.

Early in this pandemic, Congress required many large employers to provide paid sick leave to help slow the spread of the coronavirus and support workers who got sick. In the American Rescue Plan, Congress extended tax credits to small and midsize businesses that gave workers paid sick leave.

Mr. Dutta-Gupta, we'll start with you. In your opinion, have the paid-sick-leave provisions in the American Rescue Plan slowed the spread of the coronavirus?

Mr. DUTTA-GUPTA. Thank you, Congresswoman Maloney. That's a terrific question. There is, in fact, evidence that the provisions in the emergency relief measures slowed the spread of the coronavirus.

The FFCRA, Families First Coronavirus Relief Act—or, Response Act was studied by researchers, who found that there were around 400 fewer confirmed cases per state per day in states that gained access to paid sick leave through the FFCRA. That would translate into roughly one prevented case per day per - one. Three-hundred workers who had newly gained the option to take up—and, remember, it was just two weeks of sick leave.

I will note that a lot of workers, a large share of workers, did not have access to any sort of leave, and still don't, with the poli-

cies being not mandatory for the vast majority of employers and with a lot of carve-outs for some of those workers.

So I do hope that we learn from this, that paid sick leave, paid family and medical leave even, are genuine investments in public health and in our economy, but that we build upon what we've done with a more robust, comprehensive, and universal approach.

Mrs. MALONEY. Well, can you expand, how has expanding paid leave in this pandemic improved our economy?

Mr. DUTTA-GUPTA. Absolutely. So just think about somebody who cannot go without a day or a week's pay, and maybe they feel unwell. And this is not that uncommon. Even at the end of the longest economic expansion in U.S. history, some 40 percent of families would struggle to meet a \$1,000 emergency. So the truth is that a lot of American workers are living quite precariously even after a decade-long economic expansion. So lots of workers show up for work when it would be good for all of us if we could contain the spread of contagious diseases, including COVID-19.

And they also fear for losing their jobs. Maybe they can afford a day off; maybe they can afford a few days off. That doesn't mean that they will have their job back at the end of that time.

So offering protections for workers to be able to prioritize their own health and the health of their loved ones as well, including potentially sick kids and others they care for, can absolutely allow people to focus more on productive economic activity and avoid some of those substantial health costs that we have been facing in this country.

Mrs. MALONEY. Thank you.

The pandemic has highlighted many inequities in our society. Low-income and essential workers, communities of color, and vulnerable people have disproportionately been impacted by both the health and economic harms from the pandemic. Yet low-wage workers and parents of color are less likely to have paid sick leave and family leave.

Dr. Wilson, what impact can a parent's lack of paid leave have on their children's well-being?

Rev. Dr. Wilson. Thank you very much for the thoughtful question.

Clearly, some of the things that we know is that most parents and caregivers who are in low-income families don't have paid leave to care for their children or older adults at all and never have had access. And, of course, this disproportionately impacts Black and Brown parents.

We also know that millions of women have been pushed out of the labor force because they didn't have paid leave or childcare. And, more importantly, this is about caring for a child in their earliest stages of life, to bond with the child, to care for them, and every person in the U.S. should have access to that, regardless of race, ZIP Code, or income.

So we know that early bonds parents develop with their babies are critical to future learning, to building a positive, loving relationship with the child, and to helping that child develop the cognitive, social, and emotional development that helps them reach their full potential.

So paid family leave or parental leave can also reduce infant mortality by as much as 10 percent, according to a study of 141 countries with paid-leave policies. So paid parental leave can reduce the share of low-birth-weight babies by over 10 percent, decrease the likelihood of early term birth by nearly seven percent, with particularly large impact on children and the well-being of children and Black mothers.

So we know that this is something that helps children to be well, helps them to develop over time. And access—or, removing that access will have deleterious effect on the future of children in America, particularly Black and Brown children.

Mrs. MALONEY. Thank you.

My time has expired, and I yield back to Representative Foster. Thank you.

Mr. FOSTER.[Presiding.] Thank you.

And now, at this point, I think I will yield back to Chair Clyburn to continue the proceedings.

Chairman CLYBURN.[Presiding.] Thank you very much, Mr. Foster.

I now recognize Congressman Green. Is he here?

Mr. GREEN. Yes, sir.

Chairman CLYBURN. You are now recognized for five minutes.

Mr. GREEN. Thank you, Mr. Chairman, Ranking Member.

And thank you to you the witnesses.

Today's hearing is another failure of this committee to address the key questions that the Biden administration, congressional Democrats, and the mainstream media refuse to discuss. Instead, despite the Federal Government's unprecedented spending over the past year and a half, my colleagues across the aisle believe more spending is necessary. Now the Democrats are leveraging this Select Committee on the Coronavirus to justify trillions more for their progressive wish list.

Never mind the disaster of the unemployment handouts that left small businesses struggling to find workers because the government was paying people more to stay at home than to work. Never mind the spending-fueled inflation that's eating away at Americans' wallets. Bought any chicken lately? We'll just go for a \$3.5 trillion tax and spending spree packed with Bernie Sanders' wish list.

Earlier this summer, my colleagues and I held a forum where we discussed the evidence surrounding the origins of the virus that began in Wuhan and the actions that should be taken to ensure a thorough investigation. Do you think maybe the American people want to know if the Federal Government funded gain-of-function research in a Communist Chinese lab that led to a new virus strain? Why, yes, they do. But not Nancy Pelosi's Select Committee on the Coronavirus.

Just last week, a letter published in *The Lancet* which reaffirmed the probability of a lab-leak origin while noting that there is little to no evidence supporting a natural origin in this outbreak. Still no pangolin yet. Why can we not have a conversation about that? Are we uninterested in searching for answers when the evidence contradicts the establishment's narrative?

Let's take ivermectin. The authoritarian establishment seems instantly to dismiss any mention of the drug. Some states are even threatening to take licenses of doctors who prescribe it. The human version of ivermectin has been prescribed to millions of people and it has been widely used for years in the developing world to treat parasitic illnesses. As a meta-analysis in the peer-reviewed *American Journal of Therapeutics* states, and I quote, "A large majority of randomized and observational control trials of ivermectin are reporting repeated large-magnitude improvements in clinical outcomes," end quote.

Why is the vaccine the only thing any Democrat will consider? Why are we not talking about this study? And why are the media and some states trying to rip the licenses from well-trained M.D.s who want to prescribe it? Now, there's a valid investigation for this committee. Not going to happen, though. The only science they care about is what supports their authoritarian control.

As President Biden tries to push his unconstitutional vaccine mandate, we continue to ignore the studies showing durable—the durability of natural immunity. As Dr. Marty Makary noted last week in *The Washington Post*, several studies have shown that natural immunity provides robust and longstanding protection against the virus.

In late August, a study out of Israel involving 700,000 people—and, oh, by the way, since we're so worried about the science, the more confidence—the larger a study, the more people you have, the larger the "n," or sample size, the more confidence you can have in the conclusions of that study.

That study of 700,000 concluded that those with prior infection are 27 times less likely to have a symptomatic reaction or reinfection than those who are vaccinated—27 times. Yet we continue to insist on a one-size-fits-all mandatory vaccine policy regardless of age or prior infection.

If immunity from prior infection is better than the vaccine, which that and many other studies says it is, then why are we considering kicking soldiers out of the military who have had COVID but don't want, or apparently from the science need, a vaccine? It makes no sense—unless, of course, you're selling vaccine.

This isn't an abstract issue. It's a serious concern that has immediate, real-life implications for millions of Americans. Many of those who chose not to get vaccinated because they've already had COVID are wondering whether or not they're going to lose their jobs. If they already have acquired immunity, does it make sense to continue implementing this one-size-fits-all sell-more-vaccine policy and force them to get both shots?

Should a previously infected person, with better immunity than provided by the vaccine, be fired because they won't bend the knee to the authoritarians who keep perseverating "vaccine, vaccine, vaccine"?

Why can we not have a conversation about this? These are pressing questions with serious real-world implications that this committee can and should explore. The failure to do so is a failure of this committee to address the most pressing issues for Americans in this pandemic.

With that, Mr. Chairman, I yield.

Chairman CLYBURN. Thank you very much, Dr. Green.  
The chair now recognizes Mr. Raskin for five minutes.

Mr. RASKIN. Mr. Chairman, thank you very much.

I'm sorry that just the sequencing of questioning puts the burden on me to respond to some of the disinformation we just heard.

There's a report out today which shows that the 10 states with the lowest vaccination rate now have an infection rate four times higher than the rest of the country. And it stands to reason. The vaccine is saving people's lives. So this is a life-and-death matter.

How many videos do we have to see of people who, themselves, were very proud not to get the vaccine and told other people not to get the vaccine who then ended up with COVID-19 and are begging people to get vaccinated and are saying they're sorry for participating in all of the propaganda and disinformation against vaccines and against masks?

So I'm just—I'm sorry to see that there are still people trying to sell that very dangerous notion against vaccines.

And, by the way, why should a person get vaccinated if they've already had COVID-19? Because they can get it again. And we have colleagues who have had COVID-19 twice.

And people are dying every single day from COVID-19. So I don't want to participate in any way in any of the dangerous propaganda that continues to be out there which is causing an absolute resurgence of COVID-19 across the country.

But the American Rescue Plan's—the American Rescue Plan and the Child Tax Credit have already made a tremendous difference in the lives of millions of American kids and their families. According to one analysis I saw, the number of children experiencing hunger in American has gone down by 2 million. Two million children fewer are experiencing hunger because of what we passed in the American Rescue Plan, because of what we passed in the Child Tax Credit.

And Columbia University estimates that the first Child Tax Credit payment this summer lifted 6 million children out of poverty. OK? The very first payment under the Child Tax Credit plan we passed lifted 6 million kids out of poverty in the country.

So it might not seem like a lot of money to a lot of people, how much money goes to each family, but it makes a huge difference in the lives of children and their families. So we're fighting to make the expanded Child Tax Credit permanently available to kids in families with the lowest incomes.

And my question is, Professor Schanzenbach, what difference would it make if we actually make the Child Tax Credit permanent now? What kind of broader economic effects could we expect to see as a result of this expansion, and what difference would it make in the life of the kids?

Ms. SCHANZENBACH. Yes. So, in the short term, we'll see, just like you said, less hardship. We'll see lower rates of hunger, lower rates of poverty, et cetera. But where I think this is just crucially important is, we know from research that these investments, that reducing child poverty, has long-term impacts.

I agree with Doug Holtz-Eakin, who said essentially that any serious long-term growth strategy has to involve education. And, for kids, it really—the CTC alleviating poverty will enhance the edu-

cation investments that we make in them. They will grow up to be healthier, more likely to graduate from high school, et cetera. This will have long-term positive economic payoffs.

Mr. RASKIN. And what difference might it make, Dr. Wilson, in alleviating our longstanding inequalities in wealth and income along the lines of race?

Rev. Dr. Wilson. Yes. Part of the challenge that we see is both, of course, an income gap, a racial income gap, and a racial wealth gap. Both have to be addressed.

But, as it gets to income, we see that the expanded CTC has most impact for Black, Brown, and indigenous families. As we think about this, we're talking about cutting child poverty in half for Black families, 52 percent for Black families, 45 percent for Hispanic families, 65 percent for indigenous children, as we talk about the impact.

So you're having a disparate impact because you're investing in a place where people are more likely to find themselves in poverty. So—

Mr. RASKIN. But for poor children of all racial backgrounds and ethnic backgrounds, lifting them up in this way profoundly alters their life chances and their opportunities for success in life, right?

Rev. Dr. Wilson. Absolutely. This will lift all families. This will lift all children who are touched by it. And, quite frankly, by doing so, it will have a redounding effect on our entire economy by making sure that children are well.

Mr. RASKIN. OK. Well, thank you, Mr. Chairman. I yield back to you. And thank you for continuing to promote science and the prosperity and the health of our people.

Chairman CLYBURN. Thank you very much, Mr. Raskin.

The chair now recognizes Mr. Jordan for five minutes.

Mr. JORDAN. Thank you, Mr. Chairman.

I just would start with, I thought it was almost—it was amusing to hear Mr. Raskin critique Dr. Green's statement. I mean, this is the state of where we are today in America, where the lawyer critiques the Doctor of Medicine about natural immunity. I think—I mean, I found that—I mean, you'd laugh if it wasn't so serious.

Mr. Holtz-Eakin, is the Democrats' economic plan working?

Mr. HOLTZ-EAKIN. I think, as I said in my opening remarks, that the things that were done in 2020 were very effective, on a bipartisan basis, and the things that are being done this year are not.

Mr. JORDAN. Right. The bipartisan CARES Act package PPP program worked. But, in the last nine months, we went from rising wages to less purchasing power. Is that accurate?

Mr. HOLTZ-EAKIN. Yes, inflation has exceeded wage growth.

Mr. JORDAN. Stable prices to—

Mr. HOLTZ-EAKIN. Inflation.

Mr. JORDAN [continuing]. Not just any old inflation, 40-year high in inflation, right?

Mr. HOLTZ-EAKIN. First half of this year, the 50 percent of the CPI basket that is food, energy, and shelter went up 10 percent, annual rate.

Mr. JORDAN. Yes. Energy independence to—remember, we have this spectacle now of the President of the United States—nine months ago, we were energy-independent, and now we have the

President of the United States begging OPEC to increase production. I don't think that's an economic plan that's working. In fact, I think it's a dismal failure.

He's nodding his head. Let the record show the witness nodded his head.

Have you ever seen a dumber plan than the Democrats'? I mean, lock down your economy, spend like crazy, pay people not to work, and, oh, for the people who are working, we're getting ready to raise your taxes. Could there be a dumber plan?

Mr. HOLTZ-EAKIN. As I said, we actually took the proposal seriously and ran it through something that looks just like what the Joint Committee would use for analysis, and it's a net negative for the U.S. economy.

Mr. JORDAN. Net negative. Yes. And the American people are feeling it now, I mean, everywhere I talk.

Let me ask you this. When you pay people not to work, should you be surprised when you can't find workers?

Mr. HOLTZ-EAKIN. No one should be surprised about what's going on.

Now that the benefits expired, it will be a very different story, and we'll see it first in the October jobs report that gives us the September numbers. But, you know, we know from decades of research that, if you raise the replacement rate, the fraction of your wages that gets replaced by UI, spells of unemployment are longer and, in the aggregate, unemployment is higher. That is well-established.

This is over 100-percent replacement for 37 percent of American workers. I mean, it's—no one would propose that in normal times, and to put it in place as the economy opened up just made no sense.

Mr. JORDAN. Do you know any—I mean, I don't know of any employer—I think there's probably a few, but everyone I talk to across the Fourth District of Ohio, across our great state, across the country—I was in Wisconsin over the weekend and Minnesota over the weekend. No one can find—we were driving through Minneapolis on the way to the hotel, because we stayed there the night before to fly out of Minneapolis on Monday morning. And I saw at a Mexican restaurant, taco stand, on the window, "\$15 an hour," I mean, as big and bold as you could see.

Mr. HOLTZ-EAKIN. Yes.

Mr. JORDAN. No one can find people to work.

Mr. HOLTZ-EAKIN. It is everywhere.

Mr. JORDAN. Yes.

Mr. HOLTZ-EAKIN. I have three openings I'd like to fill. I'm going to raid your staff.

Mr. JORDAN. Yes. I hope you don't, but I understand. I understand the sentiment. I understand.

When you tell people they can't be evicted, should you be surprised when they quit paying rent?

Mr. HOLTZ-EAKIN. No.

Mr. JORDAN. No. I mean, it's like, it doesn't take a genius to figure out this is literally the dumbest economic plan I have ever seen.

Now, when they worked in a bipartisan fashion at the start of this virus when it hit us and we didn't know exactly what was there, we did some things that everyone I've talked to—the same employers who tell me now they can't find workers are the same ones who said, "Thank you for the PPP program."

Mr. HOLTZ-EAKIN. Yes.

Mr. JORDAN. "Thank you for what you did initially when we had so much uncertainty around what was going to happen." But now it absolutely makes no sense, where we're going.

Mr. HOLTZ-EAKIN. I think the PPP program is the single best fiscal response we've ever seen. The SBA got \$32 billion out the door in 2019; they got \$500 billion out in a month.

Mr. JORDAN. Yes.

Mr. HOLTZ-EAKIN. And it was an extraordinary lifeline to people and the small-business infrastructure of this economy.

Mr. JORDAN. Yes. Now, let me—last question. I'll let you take whatever time you want on this last one.

They're getting ready to try to raise everyone's taxes. I mean, tell me your thoughts on that.

Because, again, I think, when you lock down your economy, when you spend like crazy, when we have the highest inflation in 40 years, when you pay people not to work, when you tell them they can't be evicted, you shouldn't be surprised when they quit paying rent—when all that happens and then you say to the people who have been working, who have been paying their rent, "Oh, by the way, we're going to raise your taxes," I don't see how that's going to help our economy either.

Mr. HOLTZ-EAKIN. As I said, we ran this through some serious studying, because I would talk to my colleagues across the aisle in the economics profession and say, can we both agree that this proposed 3.3—it wasn't in the campaign—tax increase is a bad idea? And they'd say, yes, but the spending's going to be so good, you don't have to worry about it.

And I think it's—not only is the overall level troubling, the way it's being done is even more troubling.

Mr. JORDAN. Yep. They passed—

Mr. HOLTZ-EAKIN. In the years leading up to the Tax Cuts and Jobs Act, we lost 100 major headquarters, and in the years since, zero.

Mr. JORDAN. Right.

Mr. HOLTZ-EAKIN. And we're going to go right back to the third-highest corporate tax rate in the OECD and a very high global worldwide tax. That's exactly the recipe that got us in trouble to begin with.

And so the way the taxes are being raised is as troubling to me as the aggregate numbers.

Mr. JORDAN. Thank you, Mr. Chairman. I yield back.

Chairman CLYBURN. Thank you. I am tempted to use some privilege as—

Mr. JORDAN. Go ahead. Go ahead.

Chairman CLYBURN [continuing]. Chairman, but I'm going to refrain from doing that.

And I now recognize for five minutes Mr. Krishnamoorthi.



Mr. KRISHNAMOORTHY. Thank you. Thank you, Mr. Chairman. I appreciate the time.

Dr. Holtz-Eakin, I just have a couple questions for you.

You know, the expanded Child Tax Credit results recently came out, in terms of how the money has been utilized by families receiving the Child Tax Credit.

Do you dispute that for households earning less than \$25,000 the first payments were spent on food?

Mr. HOLTZ-EAKIN. I'm not an expert on those studies, so—

Mr. KRISHNAMOORTHY. No, I'm just asking—

Mr. HOLTZ-EAKIN.—and I'd be happy to study them.

Mr. KRISHNAMOORTHY [continuing]. Do you dispute that or not?

Mr. HOLTZ-EAKIN. I don't know those studies. I'd be happy to look at them.

Mr. KRISHNAMOORTHY. It sounds like you don't dispute it.

Do you dispute that it was 52 percent of households used the money for utilities?

Mr. HOLTZ-EAKIN. As I said, I haven't read the studies, so I can't dispute or agree with it.

Mr. KRISHNAMOORTHY. So I assume you can't dispute—

Mr. HOLTZ-EAKIN. It makes sense to me, but I don't know.

Mr. KRISHNAMOORTHY. It's just a yes-or-no question. Sounds like you can't dispute it, and that's what I'm asking you. Can you dispute it? Do you have evidence—

Mr. HOLTZ-EAKIN. I have no interest in disputing it.

Mr. KRISHNAMOORTHY [continuing]. To the contrary right now?

Mr. HOLTZ-EAKIN. If you want to know my reservations with the Child Tax Credit, it's that we aren't focusing it exclusively on poor people—

Mr. KRISHNAMOORTHY. I didn't ask you about your reservations. I just asked you, do you dispute the evidence or not?

The Child Tax Credit has allowed households earning less than \$25,000—41 percent of them are using it on clothing for their family. Do you dispute that? Do you have any evidence that you can point to right now, as you sit here—

Mr. HOLTZ-EAKIN. No, I have no—no.

Mr. KRISHNAMOORTHY [continuing]. Pointing to the contrary?

Mr. HOLTZ-EAKIN. The answer was no.

Mr. KRISHNAMOORTHY. OK. How about rent and mortgage? Do you have any evidence to point to the contrary that, among households earning less than \$25,000, their first payments were spent on rent and mortgage?

Mr. HOLTZ-EAKIN. No.

Mr. KRISHNAMOORTHY. How about school supplies? Thirty-one percent of households earning less than \$25,000 spent their first payments, the first dollars that they received, on school supplies for their children. You don't have any evidence to point to the contrary that that's not true, correct?

Mr. HOLTZ-EAKIN. No.

Mr. KRISHNAMOORTHY. So let me just get the story straight here. For households earning less than \$25,000, the first payments that they used the expanded tax credits for were on food, utilities, clothing, rent, and school supplies.

You don't dispute that food, utilities, clothing, rent, and school supplies for a family with children are essential payments for that family, essential expenses for that family, correct?

Mr. HOLTZ-EAKIN. No.

Mr. KRISHNAMOORTHY. Now, sir, let me just point you to some of your previous statements about the expanded Child Tax Credit.

One of the criticisms you have—and you can please correct me if I'm wrong on this, but—and I'm paraphrasing—is that you feel that it's a disincentive to work, correct?

Mr. HOLTZ-EAKIN. No. There's no incentive to work. I didn't say it was a disincentive. It's not tied to work.

Mr. KRISHNAMOORTHY. OK. So let me—I just want to get you on the record very clearly. You are not saying that it is a disincentive to work. You're just saying there's no incentive to work, correct?

Mr. HOLTZ-EAKIN. Correct.

Mr. KRISHNAMOORTHY. OK.

Let me just ask you this. If you are a single mom with children and you want to go to work but childcare is extremely expensive and you were to use the expanded Child Tax Credit to help pay for that childcare so you can go to work, in that instance, the expanded Child Tax Credit would allow the woman or the mom to re-enter the work force, correct?

Mr. HOLTZ-EAKIN. In that instance, yes.

Mr. KRISHNAMOORTHY. And let me just ask you this. You don't dispute that only 57 percent of women are currently participating in the labor work force, correct?

Mr. HOLTZ-EAKIN. Oh, no. We have very low labor force participation.

Mr. KRISHNAMOORTHY. Especially among women. Women have dropped out of the work force in droves, mainly to take care of their children and their elders, who unfortunately may have been afflicted by coronavirus, or because the schools were closed, right?

Mr. HOLTZ-EAKIN. We've seen declines in both male and female labor force participation. I think both are troubling.

Mr. KRISHNAMOORTHY. But the bigger drop, just in absolute numbers and percentages, was among women, correct?

Mr. HOLTZ-EAKIN. I'd have go back to check. I can get that to you.

Mr. KRISHNAMOORTHY. The answer is yes. It's a very basic question.

And so the expanded Child Tax Credit allows for these women, especially the single moms, but all moms, to participate once again in the work force, to be more productive, to expand our economy and enhance our prosperity, because they have the money to finally hire childcare. And that's an essential piece of the puzzle if we're actually going to build America back better and get women back into the work force.

Thank you, Mr. Chair. I yield back.

Chairman CLYBURN. Thank you very much, Mr. Krishnamoorthi. The chair now recognizes Dr. Miller-Meeks for five minutes.

Mrs. MILLER-MEEKS. Thank you so much, Mr. Chair.

And I thank all of our panelists.

And, you know, unfortunately, I was not going to start my questions this way, but I just want to clarify some things from my colleagues.

First of all, I am a proponent of COVID-19 vaccines. I've been vaccinated. I gave vaccines and attended vaccine clinics in all 24 of my counties.

Early on in the pandemic, when we first had vaccines available, there was not as much research and data we have available about natural immunity as there is now. So, if I may say, you know, being a proponent of acknowledging the benefit of natural immunity—which does not mean people should go to COVID-19 parties and get infected, but to recognize that immunity is what we should be talking about, whether it is immunity from a vaccine or immunity from natural disease—and then, that way, have vaccines available for those who need vaccines and also to treat and send to other nations so that their population can have an increased level of immunity so we can get through the global pandemic.

So I just want to clearly make that statement, that we should be talking about immunity—we don't want anybody to get ill or to get sick—and also to clarify that, yes, people who are vaccinated can come down with COVID-19, as can people with natural immunity. So having had a vaccine does not necessarily confer that you will never contract a disease. And that's true for all infectious diseases.

Furthermore, we should also be talking about having people have proof of their immunity.

So I would encourage my colleagues to support a bill that I'm producing to mandate the coverage for T cell immunity, so that humoral immunity—which may not be long present in the bloodstream, but there is T cell immunity for viruses, so we can prove immunity, and, that way, keep everybody in the work force, rather than only talking about vaccine mandates, which sends some people out of the work force.

So, again, it was not my intention—so I'm going to ask the panelists to be very brief in their comments, if I may.

Dr. Schanzenbach, you have written extensively about the negative impact of school closures on our students. Your research also found that they impacted low-income students and also in reference to food insecurity. So is that correct?

Ms. SCHANZENBACH. Yes, absolutely.

Mrs. MILLER-MEEKS. And you—

Ms. SCHANZENBACH. We've really hurt our children.

Mrs. MILLER-MEEKS. Yes.

And you also mentioned that, during these school closures, there was less access to school lunch programs or other food programs that the school may have, and so that, too, led to a negative impact, especially in our low-income and minority students.

Ms. SCHANZENBACH. Yes.

Mrs. MILLER-MEEKS. Yes. And that that also related to a slight decrease in the level of poverty in our students.

And so, while these extraordinary pandemic measures have slightly reduced poverty in the United States, the World Health Organization has said that worldwide poverty in children has increased over 15 percent and may take decades to reverse.

And the school closures not only had an effect on food insecurity, as you had indicated, but they also had a tremendous effect upon the loss of grade level and, also, mental health disorders.

So, based upon your research, I would think certain Governors, mayors, school boards chose not to let teacher unions keep schools closed and put tens of thousands of our children at risk. And their failure to reopen schools has directly led to kids going hungry and has endangered both their mental and physical well-being.

So I thank you for that research, which has helped change decisions to keep students out of the classroom and jeopardizing our most vulnerable.

If I could ask all of the panelists—and I know my time is running short—Dr. Schanzenbach, do you believe that there is inflation? And are you worried about inflation?

Ms. SCHANZENBACH. Yes. So I'm not a macroeconomist, but I studied up on this—

Mrs. MILLER-MEEKS. That's OK. I don't—

Ms. SCHANZENBACH. OK.

Mrs. MILLER-MEEKS. I don't mean to cut you off. Just "yes" or "no." I want to go to all the panelists.

Ms. SCHANZENBACH. Oh, sure.

Mrs. MILLER-MEEKS. Reverend Wilson, are you concerned about inflation?

Rev. Dr. Wilson. I believe there is inflation. I worry about children.

Mrs. MILLER-MEEKS. OK.

Mr. Dutta-Gupta, are you concerned about inflation?

Mr. DUTTA-GUPTA. Yes, and, fortunately, all the evidence suggests it's transitory.

Mrs. MILLER-MEEKS. OK. Transitory, which I asked the Fed Chair several months ago. Now we're in eight months of inflation.

Mr. Shaefer, are you concerned about inflation?

Mr. SHAEFER. I think it is something that we should watch but also something we should've expected and—

Mrs. MILLER-MEEKS. Thank you so much.

Mr. Holtz-Eakin, are you concerned about inflation?

Mr. HOLTZ-EAKIN. Yes, I am.

Mrs. MILLER-MEEKS. Yes. As a matter of fact, inflation has eaten away at the benefits of rising wages. We've seen beef up; eggs, price of eggs; price of gasoline; my husband's favorite, milk; and my favorite, bacon. So inflation certainly is a problem.

As a matter of fact, today, the Federal Reserve signaled that it could start reversing its pandemic stimulus policies in November and, earlier than anticipated, increase its interest rates.

So thank you very much. Inflation is a problem related to too much money in an economy, and I think that we need to be mindful of our excessive spending.

Thank you, Mr. Chair. I yield back.

Chairman CLYBURN. Thank you.

I think that that ends all the members who are present. Before I go any further, if the ranking member is there, I'll yield to him now for a closing statement.

Mr. SCALISE. Well, thank you, Mr. Chairman.

I want to thank our witnesses for your testimony.

And start off in my closing, Mr. Chairman, by once again saying, at some point in time, this committee actually needs to start having hearings on the real problems we're seeing related to President Biden's botched handling of COVID-19. We sure don't have enough time or jurisdiction to handle all the other things that President Biden has botched, and there's other committees to do that, but for goodness' sake, if the Select Subcommittee on Coronavirus can't start looking into some of the things that we've been calling on this committee to look into that are leading to more deaths in America—again, 2,000 deaths a day in America right now under President Biden's watch.

And, still, to this day, he has not even named a person to head the FDA—the FDA, which is the agency, by the way, that approved three different vaccines under President Trump's Operation Warp Speed. Yes, that FDA. Where is President Biden's pick for the FDA head? Why don't we have a hearing on that?

Mr. Chairman, if you announced today that we're going to have a hearing next week, I would assure you by next week President Biden would pick a head of the FDA. But we don't have that hearing, and we ought to.

We ought to have a hearing, Mr. Chairman, on the origins of COVID. We've been calling for this for over a year. More than 650,000 deaths in America, millions worldwide. Again, as I said in my opening statement, a few hours ago, I was with the Prime Minister of Australia. The Prime Minister of Australia actually called for a hearing into the origins of COVID last year, and he did it because, he said, No. 1, "I don't know where it originated from, but I want to know. People in Australia in want to know." Well, you know what? People in America want to know too. Why is this administration trying to cover this up?

You look at this article—and I'll ask that this be entered into the record, Mr. Chairman.

Mr. SCALISE. This article talks about how, after Australia didn't accuse any country of starting it but said, "Let's investigate the origin," which country then went after Australia, Mr. Chairman? China. China initiated a trade war with Australia after they just said, "We want to find out where COVID started." What should that tell everybody?

And so why don't we look into it? We shouldn't be afraid of China. We should want to know where this started so it doesn't happen again. This is something we should be having a hearing on.

We talk about inflation, and maybe we could be having a hearing about all the inflation caused by all of these spending plans. Look, a family of four with two parents out of work last year made over \$100,000. That was a report initiated by Republicans on the Ways and Means Committee. A hundred thousand dollars. And people on the Democrat side act like that was wealth creation.

If you go take out a \$50,000 credit card and then you max the whole thing out, you didn't create wealth. You just created \$50,000 in debt. Whatever you bought with it, good for you, but you have to pay it back. It's not like you were making something, you were manufacturing things that people bought. This is money borrowed from our kids.

And so, when you go down the line—we just have two medical doctors, as Mr. Jordan was talking about, on our committee, two medical doctors that talked about some of the medical problems that we're seeing. I had said in my opening statement that we ought to have a hearing on President Biden going against the science, actually trying to manipulate the science. And there's evidence of it. I laid it out in my opening statement. Do you know, not one Democrat disputed any of it—any of it?

Two people that are involved in vaccines at the FDA left the FDA because they're tired of the political interference by the Biden administration, and we haven't had a hearing on that.

Those are the things that we should be having hearings on and getting to the bottom of and stopping. And if we stop that, maybe then the President would pick somebody to head the FDA. Maybe then the President would look at more therapeutics. Maybe he'd go find more vaccines, not just rely on the three that President Trump handed off to him when he walked in the door, but maybe go find more, go encourage more, go encourage therapeutics for people that are in the hospital instead of just trying to shame people if they get COVID and say, well, it's because they weren't vaccinated. Let's encourage people to get vaccinated, but let's go find more therapeutics.

We've got the greatest medical research in the world. If they don't get their way and pass H.R. 3, drug price-fixing—which, by the way, would run 40 percent of all drugs that are on the market out of America. We wouldn't be able to get lifesaving drugs like so many other countries have if they get their way. They just put that back in the bill yesterday, their great tax-and-spend bill that's going to create more inflation, that's going to put millions more people out of work in America.

China would love this stuff. This is a gift to China. They give more jobs to China. America would have a higher tax rate than the Chinese Communist Party if President Biden and Democrats in Congress got their way.

As Mr. Jordan said, this is insanity. This is the stupidest, craziest policy we've ever seen.

You're already seeing a negative impact on families—lowest-income families, as Mr. Holtz-Eakin said, by the way, that are impacted the hardest. The lowest-income families are the ones paying the biggest price for President Biden's inflation. And what do they want to do? They want to jack it up on steroids by borrowing trillions more, taxing trillions more, and increasing inflation even higher.

And their only answer is, well, just go print and give people more money, and then they're rich again. Really? People know there's no such thing as free money. They know the negative consequences of all this free money.

The negative consequence is inflation. They're paying more money on everything. They go to the grocery store, they're paying more money. They go to their favorite restaurant, they're seeing about a third of the tables empty, and they have to wait an hour. Why? Because the government's paying people more money not to work than to work, which costs them even more.

If they want to get a new microwave for their kitchen, it's going to cost them probably 30 percent more, but they're going to have to wait months to get it.

And God help them if they have to go fill up their gas tank. They're paying 40 or more percent for that, because President Biden said no to American pipelines but yes to Russian pipelines, yes to Europe, South—Middle Eastern countries' ability to produce more oil, but no to America's ability to produce more oil—which, by the way, we do it much more efficiently.

So, if you're worried about carbon emissions, all this climate change—President Biden goes to the U.N. yesterday, doesn't talk about solving all these world problems, doesn't talk about confronting COVID and finding out the origins of it. He talks about climate change. And then his policies actually make it worse, because they increase carbon emissions, because he shuts down manufacturing in America and ships those jobs to China. China emits four or five times more carbon to make the same stuff, the same steel, the same other manufactured products that he's trying to ban in America. Going after fossil fuels, begging OPEC to produce more oil—which, by the way, they emit more carbon to make the same oil that we make here in America.

Stop beating up on America. Stop blaming America. Let's bring back America. And stop borrowing from our kids. Let's get this economy open and let's get schools back open and have hearings on all this, Mr. Chairman.

With that, I yield back the balance of my time.

Chairman CLYBURN. Thank you very much, Mr. Ranking Member.

I hear that Ms. Waters is on her way to the room. Has she arrived? I do not wish to close this without giving her an opportunity to ask questions. I understand she has not arrived.

I want to say to my friend, the ranking member—and he is my friend—you know, I wish you were present for Mr. Peter Marks from the FDA. He met with us and answered many of his questions. And I'm sure that all of us have schedules that we find ourselves in conflict, but if the ranking member had been in attendance, he would've heard Mr. Peter Marks say there was absolutely no political interference with him and the FDA on the part of this administration. And I prefer—he said that under oath, by the way.

No, he was not under oath. We just received that as information.

Now I want to thank all the witnesses for their testimony today.

The coronavirus pandemic caused enormous economic pain for American families, particularly those in low-income and minority communities. Congress and the Biden administration acted boldly to alleviate those hardships, dramatically to cut poverty, and put us on the path to recovery.

Today's hearing has made clear that the American Rescue Plan's relief provisions have delivered for families and supported our economic recovery. From direct relief payments to the expanded Child Tax Credit, the American Rescue Plan has delivered swift assistance to help working and middle-class families pay for their basic needs as we add millions of jobs.

But a return to the pre-pandemic economy is not sufficient. For too long before 2020, far too many Americans were struggling to

provide for their families and get ahead economically. The American Rescue Plan was designed to combat the immediate crisis, and now our task is to reduce the longstanding disparities that were exposed and exacerbated by the pandemic.

As I have shared with the select subcommittee before, last year I was criticized by the Republican minority leader of the Senate for observing that the coronavirus crisis presented—and I’m quoting myself—quote, “a tremendous opportunity to restructure things to fit our vision,” end of quote. And let me complete the statement: “of a more perfect Union, with liberty and justice for all.”

For the last several decades, our economic structure has denied liberty and justice for far too many Americans. Our economic structure has denied workers the same rewards as those with wealth, denied educational and economic opportunity to far too many, denied affordable healthcare to millions, and threatens to deny a livable planet to future generations.

The American Rescue Plan has shown that we have the ability to restructure things to rescue our country from the immediate crisis. As its emergency measures gradually come to an end, we are facing a choice. Will we surrender the progress the American Rescue Plan has made and accept a return to an economic structure that denied liberty and justice to far too many, or will we take this opportunity to restructure things to fit our shared vision of liberty and justice for all? It is my firm belief that we must build a more perfect Union. We must build back better.

And I want to say today—and qualify this by saying, in my studies of various parts of our history, I have not found it to be a fact that Alexis de Tocqueville actually said what he’s given credit for having said by many people—that America is great because its people are good, and if the people of America ever cease to be good, America will cease to be great.

It is not a demonstration of goodness for name-calling and for such vitriol as we hear often in referring to other people’s attempts to right the wrongs that exist in our society. But for us to maintain an element of goodness and respect for each other and for their efforts, that’s what it’s going to take for us to get this country back on track, not a lot of vitriol and disrespect for people.

And, with that—and, without objection, all members will have five legislative days within which to submit additional written questions for the witnesses to the chair, which will be forwarded to the witnesses for their response.

Chairman CLYBURN. This meeting is adjourned.

[Whereupon, at 3:41 p.m., the subcommittee was adjourned.]

