



FOR IMMEDIATE RELEASE

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FACT SHEET: The President's Budget for Fiscal Year 2022

"Where we choose to invest speaks to what we value as a Nation. This year's Budget, the first of my Presidency, is a statement of values that define our Nation at its best." – President Joe Biden

Under the President's leadership, America is getting back on track. We are beginning to turn the tide on the pandemic. The economy is growing and creating jobs. And students are getting back into classrooms. But our work has only begun. For all of the hard-won progress our country has made in recent months, America cannot afford to simply return to the way things were before the pandemic and economic downturn, with the old economy's structural weaknesses and inequities still in place. We must seize this moment to reimagine and rebuild a new American economy that invests in the promise and potential of every single American, that makes it easier for families to break into the middle class and stay in the middle class, and that positions the United States to out-compete our rivals.

Today, the President released a Budget that details his proposals to advance that agenda this year. It includes the two historic plans the President has already put forward—the American Jobs Plan and the American Families Plan—and reinvests in education, research, public health, and other foundations of our country's strength. The Budget also calls on Congress to take action this year to lower prescription drug costs and expand and improve health coverage.

Alongside these necessary investments, the Budget proposes long-overdue changes to our tax code—reforming the corporate tax code to incentivize job creation and investment in the U.S., revitalizing tax enforcement to ensure that high-income Americans pay the tax they owe under the law, and eliminating loopholes that reward wealth over work. Taken together, the Budget policies would strengthen our economy and lay the foundation for shared prosperity, while also improving our Nation's long-run fiscal health.

THE AMERICAN JOBS PLAN

The Budget begins with the American Jobs Plan—an investment in America that will create millions of good jobs, rebuild the Nation's infrastructure, and position the United States to out-compete China. Public domestic investment as a share of the economy has fallen by more than 40 percent since the 1960s. The American Jobs Plan will invest in America in a way we have not invested since we built the interstate highways and won the Space Race. But unlike past major investments, the plan also prioritizes addressing

long-standing and persistent racial injustice and helps ensure rural, urban, and Tribal communities have a fair shot at prosperity. Specifically, the President's plan will:

- **Fix Highways, Rebuild Bridges, Upgrade Ports, Airports, and Transit Systems.** The President's plan will modernize 20,000 miles of highways, roads, and main-streets. It will fix the ten most economically significant bridges in the Nation in need of reconstruction. It also will repair the worst 10,000 smaller bridges, providing critical linkages to communities. And, it will replace thousands of buses and rail cars, repair hundreds of stations, renew airports, modernize Ports of Entry and expand transit and rail into new communities.
- **Deliver Clean Drinking Water, A Renewed Electric Grid, and High-Speed Broadband to All Americans.** The President's plan will eliminate all lead pipes and service lines in our drinking water systems, improving the health of the Nation's children and communities of color. It will put hundreds of thousands of people to work laying thousands of miles of transmission lines and capping hundreds of thousands of orphan oil and gas wells and abandoned mines. And, it will bring affordable, reliable, high-speed broadband to every American, including the more than 35 percent of rural Americans who lack access to broadband at minimally acceptable speeds.
- **Build, Preserve, and Retrofit More Than Two Million Homes and Commercial Buildings, Modernize Our Nation's Schools and Child Care Facilities, and Upgrade Veterans' Hospitals and Federal Buildings.** The President's plan will create good jobs building, rehabilitating, and retrofitting affordable, accessible, energy efficient, and resilient housing, commercial buildings, schools, community colleges, and child care facilities all over the Nation, while also vastly improving the Nation's Federal facilities, especially those that serve veterans.
- **Solidify the Infrastructure of Our Care Economy by Creating Jobs and Raising Wages and Benefits for Essential Home Care Workers.** These workers--the majority of whom are women of color--have been underpaid and undervalued for too long. The President's plan makes substantial investments in the infrastructure of our care economy, starting by creating new and better jobs for caregiving workers. It also provides home- and community-based care for older people and people with disabilities who would otherwise have to wait years to get services they need.
- **Revitalize Manufacturing, Secure U.S. Supply Chains, Invest in R&D, and Train Americans for the Jobs of the Future.** The President's plan will ensure that the best, diverse minds in America are put to work creating the innovations of the future while creating hundreds of thousands of quality jobs today. Our workers will build and make things in every part of America, and they will be trained for well-paying, middle-class jobs using evidence-based approaches such as sector-based training and apprenticeship.

THE AMERICAN FAMILIES PLAN

To extend the benefits of economic growth to all Americans, the Budget also includes the American Families Plan—a historic investment to help families cover the basic expenses that so many struggle with now, lower health insurance premiums, and continue the American Rescue Plan's historic reductions in child poverty. Specifically, the President's American Families Plan will:

- **Add at Least Four Years of Free Education.** The American Families Plan will provide universal, high-quality preschool to all three- and four- year-olds. It will provide Americans two years of free community college. It will invest in making college more affordable for low- and

middle-income students, including students at Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), and minority-serving institutions (MSIs) such as Hispanic-serving institutions and Asian American and Native American Pacific Islander-serving institutions. It will increase the Pell Grant by \$1,475, alongside an additional \$400 increase in the Budget, for the largest one-time increase in the grant's history. And, it will invest in our teachers as well as our students, improving teacher training and support so that our schools become engines of growth at every level.

- **Provide Direct Support to Children and Families.** The American Families Plan will provide direct support to families to ensure that low- and middle-income families spend no more than seven percent of their income on child care, and that the child care they access is of high-quality. It will also provide direct support to workers and families by creating a national comprehensive paid family and medical leave program that will bring the American system in line with competitor nations that offer paid leave programs. And, the plan will provide critical nutrition assistance to families who need it most and expand access to healthy meals to our Nation's students – dramatically reducing childhood hunger.
- **Extend Tax Cuts for Families with Children and American Workers.** The American Families Plan will extend key tax cuts in the American Rescue Plan that benefit lower- and middle-income workers and families, including the expansions of the Child Tax Credit, the Earned Income Tax Credit, and the Child and Dependent Care Tax Credit.
- **Strengthening Health Care.** The American Families Plan will also extend the expanded health insurance tax credits in the American Rescue Plan. These improvements are lowering premiums for 9 million current enrollees by an average of \$50 per person per month and making them permanent will let an estimated four million uninsured people gain coverage. The American Families Plan also makes historic investments to improve maternal health and reduce maternal mortality. The Plan will also support the families of veterans receiving health care services.

Beyond the American Families Plan, the Budget also calls on Congress to take action this year to **further strengthen health care** by lowering prescription drug costs and expanding and improving health coverage. The President's health care agenda includes cutting prescription drug costs by letting Medicare negotiate prices; reducing deductibles for ACA marketplace plans; improving Medicare benefits; creating a public option and giving people age 60 and older the option for people to enroll in Medicare; and closing the Medicaid coverage gap to help millions of uninsured Americans gain health insurance.

REINVESTING IN THE FOUNDATIONS OF OUR NATION'S STRENGTH

Over the past decade, due in large measure to overly restrictive budget caps, the Nation significantly underinvested in crucial public services, benefits, and protections. To truly build back better, our country must also begin to reverse these trends and reinvest in core functions of Government—and that's exactly what the President's Budget does through targeted discretionary investments across a range of key areas. The Budget:

- **Makes Historic Investments in High-Poverty Schools.** The Budget proposes a historic \$36.5 billion investment in Title I schools, a \$20 billion increase from the 2021 enacted level. This investment would provide historically under-resourced schools with the funding needed to deliver a high-quality education to all of their students.

- **Launches Advanced Research Projects Agency for Health (ARPA-H).** The Budget includes a major investment of \$6.5 billion to launch ARPA-H, which would provide significant increases in direct Federal research and development spending in health. With an initial focus on cancer and other diseases such as diabetes and Alzheimer's, this major investment in Federal research and development would drive transformational innovation in health research and speed application and implementation of health breakthroughs.
- **Improves Readiness for Future Public Health Crises.** The Budget includes \$8.7 billion in discretionary funding for the Centers for Disease Control and Prevention (CDC)—the largest budget authority increase in nearly two decades—to restore capacity at the world's preeminent public health agency and rebuild international capacity to detect, prepare for, and respond to emerging global threats.
- **Makes a Major Investment to Help End the Opioid Epidemic.** The Budget includes a historic investment of \$10.7 billion in discretionary funding in the Department of Health and Human Services, an increase of \$3.9 billion over the 2021 enacted level, to support research, prevention, treatment, and recovery support services, with targeted investments to support populations with unique needs, including Native Americans, older Americans, and rural populations. The Budget also includes \$621 million specific to the Department of Veterans Affairs' Opioid Prevention and Treatment programs.
- **Invests in Tackling the Climate Crisis.** The Budget includes major new climate change investments—an increase of more than \$14 billion compared to 2021—across nearly every agency to: restore the critical capacity needed to carry out their core functions and to take a whole-of-government approach to tackling climate change; secure environmental justice for communities that have been left behind through the largest direct investment in environmental justice in history; and help developing countries reduce emissions and adapt to climate change.
- **Combats the Gun Violence Public Health Epidemic.** The Budget includes \$2.1 billion, an increase of \$232 million above the 2021 enacted level, for DOJ to address the gun violence public health crisis plaguing communities across the Nation. This level supports existing programs to improve background check systems and invests in new programs to incentivize state adoption of gun licensing laws and establish voluntary gun buyback pilot programs. Combined, the requests for DOJ and Department of Health and Human Services (HHS) include \$200 million to support a new Community Violence Intervention initiative to implement evidence-based community violence interventions locally. This funding is an addition to the American Jobs Plan's \$5 billion over eight years investment in community violence interventions to address the increase in homicides disproportionately affecting Black and brown Americans.
- **Extends Housing Vouchers and Helps End Homelessness.** The Budget proposes to provide \$30.4 billion for Housing Choice Vouchers, expanding vital housing assistance to 200,000 more families, with a focus on those who are homeless or fleeing domestic violence. The Budget also builds on important provisions included in the American Rescue Plan Act of 2021 by providing a \$500 million increase for Homeless Assistance Grants to support more than 100,000 households—including survivors of domestic violence and homeless youth, helping prevent and reduce homelessness.
- **Invests in Civil Rights Offices Across Government.** The Budget supports significant increases for civil rights offices and activities across Federal agencies to ensure that the Nation's laws are enforced fairly and equitably.

- **Invests in Efforts to End Gender-Based Violence.** The Budget includes a historic investment of \$1 billion in total funding for DOJ Violence Against Women Act programs, nearly double the 2021 level, including funding for new programs. In addition, the request provides funding at HHS for domestic violence hotlines and for cash assistance, medical support and services, and emergency shelters for survivors.
- **Advances Efforts to Build a Fair, Orderly, and Humane Immigration System.** The Budget proposes the resources necessary to fulfill the President's commitment to rebuild the Nation's badly damaged refugee admissions program and support up to 125,000 admissions in 2022. The Budget would also revitalize U.S. leadership in Central America to address the root causes of irregular migration, providing \$861 million in assistance to the region. The Budget provides \$345 million for the United States Citizenship and Immigration Services to adjudicate naturalization and asylum cases of those who have been waiting for years. And it increases the budget of the Executive Office for Immigration Review by 21 percent to \$891 million to reduce court backlogs by hiring 100 new immigration judges and support teams.
- **Upholds Our Trust Responsibility to Tribal Nations.** To begin redressing long-standing, stark inequities experienced by American Indians and Alaska Natives, the Budget proposes to dramatically increase funding for the Indian Health Service (IHS) by \$2.2 billion and provides \$900 million to fund tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families. The Budget also includes an increase of more than \$450 million to facilitate climate mitigation, resilience, adaptation, and environmental justice projects in Indian Country, including investment to begin the process of transitioning tribal colleges in the country to renewable energy.

GENERATING SHARED PROSPERITY AND PUTTING OUR COUNTRY ON A SOUND FISCAL COURSE

The President's Budget provides a fiscally responsible path for delivering a stronger, more prosperous economy. Under the Budget's proposals, the cost of Federal debt payments will remain well below historical levels throughout the coming decade. And in later years, when the Nation faces larger fiscal challenges, the Budget's proposals will reduce the deficit.

The Budget proposes to reform our tax system by changing the rules of the road for the largest corporations and highest income Americans. The American Jobs Plan reforms the corporate tax code to incentivize job creation and investment here in the United States, stop unfair and wasteful profit shifting to tax havens, ensure that large corporations are paying their fair share, and stop a race-to-the-bottom in corporate tax rates around the world. The American Families Plan revitalizes tax enforcement to ensure that high-income Americans pay the tax they owe under the law--ending the unfair system of enforcement that collects almost all taxes due on wages, while regularly collecting a smaller share of business and capital income. The plan will eliminate long-standing loopholes, including lower taxes on capital gains and dividends for the wealthy, that reward wealth over work.

Over time, the savings from these reforms will exceed the cost of the investments, and by large and growing amounts. The American Jobs Plan and American Families Plan together are paid for over 15 years. And the full set of proposals in the President's Budget reduce the annual deficit by the end of the ten-year budget window and every year thereafter. In the second decade, the President's Budget proposals cut deficits by over \$2 trillion.

A Budget that added to long-term deficits would worsen fiscal health, while a Budget that reduced deficits today by underinvesting in the American people would result in slower, more stratified growth that would cause more damage than one that invests appropriately. The President's Budget responsibly balances these needs and risks by charting an economically and fiscally sound course for the near term and the long term.

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