

To: Interested Parties
From: Patrick Gaspard, CEO of Center for American Progress Action Fund
Date: Tuesday, Feb 1, 2022
Re: The Path Forward on Build Back Better

We all recognize that the problems facing American families, our economy, and the planet are daunting and persistent in their scale and scope. President Biden and Democrats in Congress have pursued an economic and legislative agenda commensurate with the level of these challenges. With the Build Back Better Agenda, they put forward a serious attempt to tackle multiple crises at once. This is of course in stark contrast with Republicans in Congress who lack seriousness and are offering no solutions at all as they only seek political power to reward their friends and punish their opponents

However, it is abundantly clear that the Build Back Better Act that passed the House has no path to becoming law. President Biden confirmed at the one year mark of his presidency what had been the dawning reality. But there is still a way forward. We can yet - with urgency - fashion a bill that will address these crises, lower costs for American families, and that can garner 50 votes in the Senate and 218 votes in the House. Moreover, it is possible to pass the essential components of Build Back Better that can be knitted together with the American Rescue Plan and the Infrastructure Bill that Democrats can then take up as a singular narrative of how this Administration took the right decisive actions to rebound from the pandemic and to secure the future. However, **we need to be disciplined in our focus. We cannot allow ourselves to get distracted by things that don't meet these criteria.** I urge my fellow Democrats to act. Failure to do so would have disastrous consequences beyond this November.

In contrast, seizing the moment would give us an unprecedented opportunity to show that we are the only Party that actually cares about helping all Americans.

For decades, American families have been squeezed by the rising cost of living and stagnant wages. The American Rescue Plan helped unleash an unprecedented economic recovery in 2021—the highest GDP growth in nearly 40 years and the most jobs ever created in a single year. But global supply chain bottlenecks have also fueled inflation—here and abroad. The path forward is to focus on the key components of Build Back Better that provide American families and businesses with economic relief by lowering the costs for some of their biggest and most persistent expenses. Democrats can save the average family thousands of dollars in everyday costs while also strengthening our economy for the long-term by advancing the provisions of Build Back Better that have the votes to pass.

This is our chance to show how relentless this government is in delivering for the American people. When families and workers needed help in the wake of the greatest economic downturn in almost a century, Democrats passed the largest stimulus package our nation had ever seen; faced with an infrastructure network teetering on the brink, this President signed into law the largest infrastructure bill in the history of our country. Now, Democrats can pass another vital win for the American people, providing families— from West Virginia to Wisconsin, from Montana to Mississippi — with the type of economic security that has escaped too many for too long.

Here is a proposed starting point for a revived Build Back Better which considers the broad consensus that's been articulated across the spectrum of House and Senate Democrats:

1) Lower Health Care Costs

Health care, including prescription drugs, has long remained one of the biggest expenses for families, even before the pandemic. In many instances, access to affordable care is a matter of life and death. For a country as great and as wealthy as ours, there are far too many stories of lives lost or ruined because of the exorbitant cost of health care. The price of branded prescription drugs, for instance, rose [four times faster than inflation](#) between 2016 and 2020.

Key health care provisions in Build Back Better would:

- Set a \$35 cap on cost-sharing for insulin, a drug for which some seniors now pay over [\\$1,500](#) out of pocket annually. ([Supported by 78% of Americans](#) including 64% of Republicans.)
- Allow Medicare to finally negotiate prices with drug companies, lowering the cost of up to 20 life-saving, high-price medications used by [8.5 million](#) Medicare beneficiaries. ([Supported by 79% of Americans](#) including 66% of Republicans.)
- Extend the ACA premium tax credits to save individuals an average of [\\$600 per year](#) and allow more people to qualify for financial assistance. ([Supported by 78% of Americans](#) including 64% of Republicans.)
- Prevent pharmaceutical companies from jacking up the price of drugs faster than inflation.
- Limit out-of-pocket costs for drugs to \$2,000 in Medicare, saving [more than a million](#) seniors more than \$1,000 per year.

2) Lower Family Care Costs

In addition to health care, child care and elder care are a sizable portion of the expenses families have to endure. The pandemic has brought this crisis to the forefront, underscoring how the cost and lack of access to care solutions remains a drag on our economy. This has left millions of Americans, disproportionately women, with no pathway back into the workforce. With regard to long-term care—support for an aging parent or family member with a disability—Americans [spent more than \\$60 billion](#) out of pocket in 2019. In fact, a family paying for home care costs out of pocket currently [pays roughly \\$5,000 per year](#) for just four hours of home care per week. Specific provisions in Build Back Better would provide enormous relief to millions of families burdened by all these costs including:

- Lowering a typical family's annual child care costs by [more than \\$5,000 per year](#). In some states, the savings are estimated to be more than \$10,000 per year. ([Supported by 75% of Americans](#) including 57% of Republicans.)
- Growing the supply of child care programs, especially for low-income working families in [child care deserts](#), who would pay nothing for quality child care so that they can remain in the workforce and keep more of their hard-earned paycheck.
- Offering two years of free, universal pre-K to millions of families, [giving parents the choice](#) of high-quality options in child care centers, home-based child cares, public schools, or faith-based programs. ([Supported by 68% of Americans](#) including 46% of Republicans.)

3) Lower Energy Costs by Accelerating Clean Energy Investments and Tackling the Climate Crisis

Last year alone, climate-fueled weather disasters generated about \$145 billion in economic damage, nearly a tripling from 40 years ago. Last year, 1 out of every 3 Americans lived in a county hit by a climate-related weather disaster, more than any prior year. These disasters are disrupting and destroying lives and livelihoods. Energy costs are also rising, in part because of the climate disasters they help fuel. In 2019, the most recent year reported, Americans spent \$25 billion on coal, \$150 billion on natural gas, and \$700 billion on petroleum. Since then, the [price of natural gas](#) per million

British thermal units of energy has more than doubled, and the [price of crude oil](#) has risen by a third. Specific provisions in Build Back Better would mitigate the costs of climate disasters AND save households on their energy costs:

- According to a [recent report](#) from Rhodium Group, the clean energy provisions in Build Back Better will save the average household \$500 per year in reduced energy costs. ([Supported by 70% of Americans](#), including 45% of Republicans.)
- Families buying a car would save up to \$12,500 if they choose a new electric vehicle and up to \$4,000 if they choose a used electric vehicle. Since driving an electric car costs less than [half as much per mile](#) as driving a gasoline-powered car, these families will continue to save. But even those who stick with their current vehicle will also benefit from reduced demand for gasoline.
- Families that retrofit their home heating systems or weatherize their homes can earn up to \$8,000 in savings. There are [more than 100 million households](#) that would save hundreds of dollars every month after switching from a fossil fuel furnace or from an outdated resistance heater to an electric heat pump.

These provisions are the starting point for the path forward on a revised Build Back Better and there are three things we know about a package like this:

- **It can pass.** Based on votes and public statements, 50 Senators and 218 House Members support these provisions.
- **It will matter.** This is not a half-loaf or a compromise. For tens of millions of American families, a package such as this would be a lifeline. It would mean thousands of dollars in their pockets and more economic security.
- **It is popular.** An [overwhelming majority of Americans](#) support these provisions, including — in many cases — a majority of Republican voters. In addition, the fact that this bill would be fully paid for by getting the wealthy and corporations to pay their fair share [makes the bill even more popular](#).

Despite the benefits, I know that every single Republican in Congress will vote against these common-sense measures to lower costs for families, if they are presented. Every single one. That's a contrast and a choice that Democrats can take to voters in November — *if we act now*.

Let's be disciplined, pass a package where there is a way forward, and take the debate to the American people. We can once again clearly show the voters which party actually cares about working families and helping all Americans, and which party only cares about getting power to help themselves.