## The BOOST Act

## **Building Our Opportunities to Survive and Thrive**

Everyone deserves economic security. The BOOST Act promotes economic security for all by providing \$250/month to adults aged 19 to 67 years old.

Most families in the U.S. live paycheck-to-paycheck, without the savings to cover an unexpected \$1,000 emergency expense. While costs for necessities like housing, groceries, healthcare, and education increase annually, wages fail to keep up, putting many in a precarious position. An unexpected expense like a medical bill should not threaten a family's financial stability.

Yet, every year, millions of people fall into poverty. Roughly <u>134,000 families</u> are driven into poverty *annually* by the cost of childcare alone. Despite popular conceptions, <u>most</u> of those who become poor in a given year were not poor the year before. This is not surprising when countless families are one job loss, divorce, disability, or emergency away from crushing financial hardship.

Millions of families are poor simply because their households include those who are children, elderly, disabled, students, caring for someone, or unemployed and do not receive wages or a salary. Together, these nonworkers represent nearly <u>half the population</u> and they deserve to live with dignity and financial security like anyone else.

Cash assistance can also help break the link between childhood poverty and adult poverty. An American child growing up in poverty is two to four times more likely to be poor as an adult compared to a poor child growing up in the UK or Denmark. One of the biggest reasons why poor U.S. children stay poor as adults—more important than parental education, marital status, employment status, or neighborhood effects—is the lack of government assistance provided in adulthood.

The BOOST Act is designed to help cushion families from unexpected financial blows, shield them from economic volatility more generally, support the millions of households where family members do not receive labor income, and help break the cycle of poverty. At a time when billionaires and oligarchs threaten our democracy, the Boost Act also reduces the concentrated economic power of the few, distributing resources to the many.

## The BOOST Act would:

- provide \$250/month—adjusted annually for inflation—to adults aged 19-67 years old, regardless of dependent status.
- be administered by the Social Security Administration, reducing <u>administrative burdens</u> associated with tax credits and reaching low-income families who are not required to file their taxes.
- include a 2.5% tax on adjusted gross income above \$30,000 for individuals and \$60,000 for joint filers, which acts as an effective phase-out, so the benefit is fully offset by \$150,000 for individuals and \$300,000 for joint filers.

Regular cash assistance would make a tremendous difference to families teetering on the edge of poverty or struggling to pay their bills. Everyone deserves to thrive and enjoy the financial stability provided by the BOOST Act.

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