



2021-2022 New York State Budget Request for Child Care

New York cannot recover or prosper without child care. The pandemic has laid bare what all working families with children - and their employers - have long known: a sound, accessible quality child care system is critical to the health and economic stability of working families and the economy. Families with low pre-pandemic incomes – especially those led by women of color – have been disproportionately impacted as both providers and consumers of child care.

For New York families, for women’s economic independence, for the state’s economy: high-quality, safe, affordable child care and afterschool care is more important than ever. The Child Care Availability Task Force – set to release ambitious recommendations in January - explored several models for achieving universal, high quality child care in New York State. Any such model would cost several billion dollars per year when fully implemented. As a down payment, **The Empire State Campaign for Child Care and Winning Beginning NY** call upon Governor Cuomo and the Legislature to include the following investments in **New York’s 2021-2022 budget** to provide New York’s child care sector the funds necessary to stabilize and begin to rebuild the sector and to **lay the foundations for a universal system that serves all New York families that need care, one animated by the emerging recognition that child care is a public good, and is an integral part of a birth to 12 education system.** New York State must make the following investments in child care this year:

1. **Raise new state revenue if necessary, to make these necessary investments to stabilize the child care industry, and expand access to more families.** *These are unprecedented times; it is just and appropriate to ask those New Yorkers who have prospered since the pandemic struck to contribute more to the state’s recovery;*
2. **Make no cuts to 2020 funding for child care in 2021;**
3. **Provide counties with \$370 million to make the child care subsidy system more equitable by eliminating unfair eligibility variations across counties and communities, and prioritizing families with the greatest need by:**
 - Making child care subsidies available consistently statewide to all income-eligible families who are unemployed and seeking work, retraining, or pursuing higher education; families involved in domestic violence; families receiving preventive child welfare services; foster families; families experiencing homelessness; and children with special needs;
 - Incrementally expand subsidy eligibility to at least 85% of the state median income (beginning with regions with a high cost of living and/or those hit hard by the impacts of the pandemic);
 - Reduce parent co-pays to no more than 10% of income over the federal poverty level in counties that are currently above that level as a step toward ensuring that one day, no New York family pays more than 7% of income for child care; and
 - Pay subsidy to providers for at least 12 absences/quarter per child, plus federal holidays, building toward a system in which subsidy is not paid based on a child’s daily attendance, but based on enrollment;
4. **Commit to eliminating expulsions and suspensions in child care and pre-K,** which disproportionately impact children of color, by setting a state-wide prohibition on suspensions and expulsions (in most cases) while investing at **least \$15 million** to infant-toddler resource centers to provide child care and

pre-K programs the supports they need to meet the developmental, mental health, social-emotional needs of all the children in their care; and

- 5. Invest \$100M to create a fund to increase workforce compensation to a fair wage and improve child care quality.** Priority should be given to programs that serve low-income families and care for infants and toddlers.

By investing \$485 million in child care in 2021-22, New York State can extend child care subsidies to **30,000 additional children each month**, lower the cost of care among families receiving support, and boost child care worker wages to a level more commensurate with their importance to New York’s children, families, and communities.

Empire State Campaign for Child Care Asks	Cost Estimate
Copay Reduction to 10%	\$70 million
Increase Uptake by Expanding Eligibility	\$300 million
Support for Expulsions and Suspension Ban	\$15 million
Child Care Workforce Compensation Increase Fund	\$100 million
Total	\$485 million

Providers and parents cannot wait until the April release of New York’s new budget for support. New York must immediately, without any further delays, invest all existing child care resources – including federal (CCDF and TANF) rollover funds, and federal relief funds (including remaining CARES Act and future funds) to provide:

- **Child care scholarships and subsidies to essential workers, many of whom have been struck by layoffs, or cuts in hours and pay;**
- **Stabilization grants to child care providers for the duration of the public health emergency.**
To meet provider needs, these grants must:
 - Be paid out as up-front grants, rather than reimbursements, paid out periodically;
 - Require part of each grant be used enhance educators’ pay to one closer to a living wage; and
 - Be made available to all operating licensed and registered, and licensed exempt providers, with the amount determined based on region and modality of care (center-based, group family and family); and
- **More families access to child care subsidies, and a reliable flow of subsidy funds to child care providers by giving counties the funds they need to continue the following subsidy waivers:**
 - Paying subsidy based on enrollment, not attendance;
 - Eliminating parent co-pays; and
 - Raising eligibility to 85% of SMI.