



Empire State Campaign for Child Care 2023 Policy Priorities In Light of 2023 State of State Proposals

The Empire State Campaign for Child Care’s 2023 budget and legislative priorities build from last year’s historic wins, and take New York further down the path to universal child care by **investing in the essential child care workforce, removing unnecessary access barriers, and ensuring all the state’s children can access child care, regardless of immigration status.**

On January 10, 2023, Governor Hochul delivered the 2023 State of the State address, which prominently featured child care as one of her 2023 policy priorities. Among the data points the Governor highlighted as reasons child care is of urgent concern: young New Yorkers ages 26-44 have left for states with lower costs of living, including child care, in high numbers; that uptake of child care assistance among eligible families was down to 6% in 2021, from 10% in 2017 and 2018; and that onerous eligibility processes and requirements have kept eligible families from accessing child care assistance – often by design.

What follows are ESCCC’s 2023 priorities lined up against the Governor’s State of State proposals.

Priority: Invest in the early childhood workforce and providers so they have the resources they need to serve the state’s diverse families and communities

- ▶ Establish a short-term workforce compensation fund to raise median child care worker pay by at least \$12,500 per year.
 - The Governor has proposed a Workforce Retention Grant Program using unspent federal funds “to provide payments to existing staff in 17,000 programs statewide.” Grants can be used to cover payroll tax assistance, support staff recruitment, including sign-on bonuses. The Governor also proposed for the State and Child Care Availability Task Force (CCATF) to “continue to undertake the important work of evaluating alternative workforce compensation models.”
 - This promising proposal can only succeed if the grants are significant in amount and equitably distributed to all center-based and home-based programs across the state. Equitable distribution must take into consideration the differing business models and challenges to recruitment and retention faced by center-based and family child care providers. These

grants must be maintained until such time that the state has fully funded and implemented a new provider reimbursement model and workforce pay scale, to be developed by the Child Care Availability Task Force (CCATF).

- ▶ Establish health insurance premium support program for child care workers as their income rises above Medicaid eligibility levels. **None**
- ▶ Enact legislation that would commit New York State to transition to a new provider reimbursement methodology and pay scale by 2025.
 - The Governor has proposed for the State and Child Care Availability Task Force (CCATF) to “continue to undertake the important work of evaluating alternative workforce compensation models.”
 - This is a promising proposal. We continue to emphasize that the Child Care Availability Task Force must complete the important work of evaluating, developing, and recommending a reimbursement methodology for adoption no later than 2025 budget session. Wage supplements must continue until this model is fully funded and implemented.
- ▶ Provide a monthly per-child supplement for non-traditional hour care and start-up grant program for providers seeking to offer non-traditional hour care. **None**
- ▶ Increase rates for legally-exempt child care providers to 80% of the family child care rate and to 90% for providers who are eligible for the enhanced rate. **None**

Priority: Help more New Yorkers access child care

- ▶ Extend child care assistance program eligibility to undocumented children statewide. **None**
- ▶ Eliminate benefit cliffs by allowing families whose income exceeds federal eligibility threshold to maintain and recertify their eligibility for assistance (up to 400% of Federal Poverty Level) **(Budget) \$100 million**
 - The Governor has proposed to increase income eligibility to 85% of State Median Income from the current 300% of the Federal Poverty Level (FPL).
 - This is a promising proposal, and stands to make tens of thousands of New York children newly eligible for child care assistance. To ensure that expanded eligibility translates to real-world access for families, New York must build the supply of child care with direct investment in the child care workforce, begin to soften eligibility cliffs, and break down barriers to access as we build towards universal eligibility.
- ▶ Adopt categorical child care assistance eligibility for families enrolled in other public assistance programs (SNAP, Medicaid, WIC, etc.) and for children with disabilities, children experiencing homelessness, in foster care, in families receiving preventive services.
 - The Governor has proposed to adopt categorical income eligibility for families enrolled in other public assistance programs; an estimated 83,400 children will have easier access to child care assistance.

- This is a promising proposal, although these families will still have to prove they meet the work or training requirements for child care.
- The Governor has also proposed to standardize eligibility across counties by requiring that families experiencing homelessness and families caring for a child in foster or kinship care are provided child care assistance as long as funds are available.
- This is a promising proposal, and is aligned with an ESCCC priority of ending inequitable and confusing county variations in eligibility requirements.
- The Governor has also proposed to reduce family co-pays to 1% of income over the FPL across the state, which would cut costs for families receiving child care assistance significantly.
- This is a promising proposal.

Priority: Break down unnecessary barriers preventing the child care system from working for families and providers

- ▶ Enact presumptive eligibility so families do not need to wait for paperwork processing to begin receiving assistance. **None**
- ▶ Develop online application, eligibility determination and recertification and provider payment processes.
 - The Governor has proposed a statewide electronic application process intended to streamline and speed up processing of applications, and reduce burdens on families.
 - This is a promising proposal which must be undertaken with stakeholder input from parents and child care professionals, in cooperation with local social service districts, to ensure that families have one consistent point of access.
- ▶ Pay child care subsidies to child care providers based on enrollment, not attendance, statewide.
 - The Governor has proposed to require all counties to reimburse providers for up to 80 absences per family. While this is already the policy in 11 Local Social Services Districts (LSSDs), 20 only cover 24 absences.
 - This is a strong step toward enrollment-based reimbursement.
- ▶ Implement automatic market rate increases & decouple subsidy payment rates from private pay fees. **None**

*The Governor has also proposed a statewide business income tax, a business navigator program, and an employer supported child care program. While we look forward to learning more details about these programs, we caution that business-oriented solutions to the child care crisis have the potential to intensify inequities in access and detrimentally tie children's early educational environments to their parents'

employment. Child care is an essential public good and families' ability to access it should not depend on their employers. Our goal remains a universal child care system that is free and accessible to all New Yorkers.