

Child Care in the NYS Budget: Where Things Stand As We Enter The Final Stretch of Negotiations

March 20, 2024



Empire State

Campaign for Child Care



What We Want!

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We are fighting for a **high-quality, free, equitable, and universal child care system** that meets the needs of all children and families and pays child care programs the true cost of care, with a thriving wage and benefits.



NYS Budget Season: Final Sprint!

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JANUARY

- Legislative session begins
- Governor delivers State of the State and budget address
- Legislature schedules budget hearings



FEBRUARY

- Legislature holds budget hearings



MARCH

- State Assembly and Senate introduce "one-house budgets"
- Budget negotiations begin
- Tentative budget framework released
- Budget is finalized



APRIL 1

- New fiscal year begins

JUNE

- Legislative session ends



New York has made historic expansions to child care assistance since 2022

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Average Annual Household Savings for Family with New York's New Eligibility for CCAP

Household size/ annual income/ number of children in care	Average annual cost to family: July 2022 (ineligible for CCAP), % of annual income	Average annual cost to family: October 2023 (eligible and able to access CCAP), % of annual income	Annual Savings
Family of 4—\$62,400 (two parents working full-time, \$15/hr)—infant and 4-year-old in child care center	\$40,286 64.56%	\$324 0.52%	\$39,962
Family of 3—\$79,557 (NYS median household income)—two school-aged children in family-based child care	\$20,240 25.44%	\$547 0.69%	\$19,693

Source: Child Care Aware Price of Care: 2021 and 2022 Child Care Affordability Analyses.



Our advocacy is working!

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New York's total investment in child care assistance has nearly doubled in the last five years; the state's investment has quadrupled

FY 2020 Enacted Budget	FY 2025 Executive Proposal
<u>\$832 million</u> (total subsidies)	\$1.78 billion (total subsidies)
\$182.8 million (state funds)	\$863 million (state funds)



But more to be done. First priority: workforce!

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Child Care Educators in New York State



- 94.4% are women
- 53.7% identify as people of color

Source: NYS Department of Labor: Child Care in NYS (2023).

The average wage for a child care worker in New York
\$35,190/annual / \$16.92/hour in May 2022.⁸



Family child care educators earned less than minimum
wage, approximately
\$10.49 / hour in 2021.⁹



The Executive Budget if passed would result in a **cut** to child care workforce compensation

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- **This year's Executive Budget contains NO new funds for the child care workforce.** It calls for OCFS to distribute the remaining federal funds – to the applicants approved last year.
- If the Executive Budget stands, child care educators will at best, receive a one time bonus that is about 50% less than the bonus they received last year
- Senate and Assembly have proposed \$220 million in state funds to add to the existing workforce retention fund – they are hoping for a total of \$500 million.



Executive proposal	Senate Proposal	Assembly Proposal
<p><u>NO new funds for the child care workforce.</u> It calls for OCFS to distribute the remaining federal funds \$280 million – to the applicants approved last year.</p>	<p>\$220 million in state funds to add to the existing workforce retention fund – they are hoping for a total of \$500 million. In resolution they call for fund to be permanent.</p>	<p>\$220 million in state funds to add to the existing workforce retention fund – they are hoping for a total of \$500 million.</p>



Workforce: What we need

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- Create a **permanent** state-funded **child care wage equity fund**; provide annual wage supplements to all members of the workforce of \$12,500 (\$1.2 billion)
 - Senate in their resolution indicates the funds should establish “a permanent Workforce Retention Grant Program.” Must be in statute!



Knock down barriers that keep many families that need child care most from accessing assistance

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- **Decoupling.** End NY's practice of tying child care access to parents' exact hours of work.
 - Adopt Senate and Assembly's proposal
- **Preserve and expand the new Facilitated Enrollment Scholarship Programs which provide assistance to families ineligible for other types of child care assistance including children excluded due solely to their immigration status.**
 - Adopt the Senate proposal to invest \$10 million, an expansion of \$5.5 million
- Commit NYS to use a **cost estimation model** to determine state child care reimbursement rates by 2025 (**\$250,000**).
 - Adopt the Assembly proposal



Call To Action!

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- Hello, my name is _____, and I'm a New Yorker who believes that New York State must step up and address the child care crisis by creating a permanent compensation fund of \$1.2 billion in this year's budget to raise the wages of child care providers. The key to a thriving economy or family stability is paying the child care workforce.
- Governor Hochul: (518) 474-8390
- Majority Leader Stewart-Cousins: (518) 455-2715
- Speaker Heastie: (518)455-3791