# Lowering Barriers to Assistance for a More Equitable Child Care System



#### **The Promise**

Every family should have access to high-quality, universal child care that meets their needs by providing the option of family- or center-based care in their community, ensuring that children thrive in culturally affirming care and education. Child care educators must be valued through sustained investment in the workforce.

# The Challenge

New York has made important strides in expanding access to child care. However, significant barriers remain in the way of accessing child care and early education that works for families and meets the developmental needs of children.

#### What We Know

#### Families cannot afford the cost of child care on their own

Without assistance, the cost of child care is out of reach for nearly all New York families.

Child care is the largest monthly bill for many New York families, costing an average of:



\$3,357 per month for an infant and a 4-year-old in a child care center (\$40,286 per year)
\$1,516 per month for an infant in family-based child care (\$18,200 per year)
\$1,686 per month for two school-age children in family-based afterschool care (\$20,240 per year)

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

# 2022 and 2023 saw important progress in expanding eligibility and breaking down barriers to child care assistance in New York

Over the past two years, New York has made historic expansions to its Child Care Assistance Program (CCAP), raising the income eligibility cap from 200% of FPL (or \$55,000 for a family of 4 in July 2022) to 85% of SMI (or \$99,250 for a family of 4 beginning October 2023). Since October 1, 2023, more than 108,000 children have become newly income eligible for CCAP, adding to the approximately 265,000 children who became newly eligible in July 2022. If fully funded, equitably implemented, and accompanied by increased capacity to meet the needs of all families, this expanded assistance could be life-changing for these children and their families.

#### 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 schoolaged children in family-based child care	\$20,240 25.44%	\$547 <b>0.69</b> %	\$19,693

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



#### Many barriers to accessing child care assistance remain

Despite significant progress, barriers continue to keep many families that need child care from accessing child care assistance, including complicated and cumbersome applications; varied rules by county; processing delays; minimum work hour and wage requirements; and immigration status requirements.

### Barriers caused by administrative hurdles

By regulation, child care applications should be processed within 30 days of receipt of application.<sup>3</sup> In reality, parents report frequent denials because they have trouble meeting the cumbersome application requirements, along with processing delays that often exceed the 30-day time limit. These denials and delays can force parents to forgo job opportunities. Last year, New York introduced categorical income eligibility for families, allowing income-eligibility for CCAP to be established by proof the family is enrolled in another income-dependent program like SNAP, an important step toward lowering administrative hurdles to CCAP.



Less than 10% of families who are eligible for child care assistance are actually enrolled. This is the legacy of a system that is difficult to navigate—by design. That has to change.

 Governor Kathy Hochul in her State of the State Address, 2023<sup>4</sup>

## Barriers due to a child's immigration status

Immigration status bars some otherwise eligible children from CCAP. The need to end this exclusion has become more urgent with more than 150,000 asylum seekers newly arriving in New York this past year. Data indicate that in FY 2023, **about 22,000 of the new arrivals are children under age 12**. While New York leaders have been working hard to pave the way for asylum-seekers to be able to work, those who have children cannot work without child care.<sup>5</sup>

# **Policy Solutions**

- New York's Child Care Availability Task Force develops and guides implementation of a phased-in roll-out of universal child care.
- ▶ End the practice of denying New York children child care assistance due to immigration status.
- Enact presumptive eligibility statewide, allowing families to begin accessing the child care they need immediately as their application is processed.
- ▶ Take steps to increase capacity for non-traditional hours of care by paying enhanced reimbursement rates statewide for non-traditional hour care and exploring other options like providing monthly per-child supplements for non-traditional hour care and start-up grant program for providers seeking to offer non-traditional hour care.
- Expand access to care for children with special needs by dedicating state funds to provide supplemental payments to child care programs caring for children with special needs.
- Prohibit requiring parents or caretakers to earn a minimum wage or work a minimum number of hours to be eligible for child care assistance and end the practice of only providing CCAP during the exact hours a parent works; all of these practices can be detrimental to child development and disproportionately bar parents working in the gig economy or fluctuating hours from being able to access assistance.

<sup>&</sup>lt;sup>1</sup> New York State Office of Children and Family Services. (2023). <u>23-OCFS-ADM-18 Changes to Child Care Assistance Regulations: Parts 404 and 415</u>.

<sup>&</sup>lt;sup>2</sup> Schuyler Center computations based on U.S. Census American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B17024.

<sup>&</sup>lt;sup>3</sup> New York State Office of Children and Family Services. (2023). Title 18. Department of Social Services 18, NYCRR 404.1(d)(1)(i). rev. 2023).

<sup>&</sup>lt;sup>4</sup> Office of the Governor of the State of New York. (2023). Remarks as Prepared: Governor Hochul Delivers 2023 State of the State.

<sup>&</sup>lt;sup>5</sup> Schuyler Center computations based on TRAC Immigration New Proceedings Filed in Immigration Court by State, Court, Hearing Location, Year, Charge, Nationality, Language, Age, and More (updated through August 2023).

<sup>\*</sup> For all sources and computations, go to <a href="https://bit.ly/NYSchildren">https://bit.ly/NYSchildren</a>