



Recommendations of the Empire State Campaign for Child Care for the NYS Black, Puerto Rican, Hispanic, and Asian Legislative Caucus 2024 People's Budget

Thanks in large part to the support of members of the NYS BPHA Legislative Caucus, New York State continued to take historic steps forward in achieving universal child care in its 2023-2024 Legislative Session. **However, the promise of increased access to high-quality child care will only be realized if New York makes a substantial and sustained investment in its child care workforce and extends the promise of care to *all* children in our state.**

Notable wins aligning with the ESCCC's advocacy priorities include:

- \$500M for a workforce compensation fund to mitigate the child care workforce shortage with bonuses to increase retention and recruit new workers to the field.
- The passage of corrected legislation to decouple the hours of care a child can receive from their parents' working hours.
- A small pilot program to support the inclusion of children who are currently excluded from child care assistance due to their immigration status.
- Expanded eligibility to the maximum allowable for federal funds (85% of state median income (SMI)), or \$83,370 for a family of three, as of October 1, 2023. (When this goes into effect, this expansion, on top of last year's expansion of eligibility from [200% to 300% of the federal poverty level](#) (FPL) makes an estimated 350,000 children newly eligible for child care assistance compared to the number eligible in July 2022 and prior.)
- Promise of the creation of an online application for child care assistance along with other system modernizations.

Unfortunately, severe and persistent child care workforce challenges threaten to undermine the tremendous gains New York has made in expanding access in child care assistance. This assistance is meaningless if families cannot find high-quality, affordable child care in their communities that meets their needs, operating during the hours they need care, with space for their children.

In March 2023, ESCCC conducted a [workforce survey](#) of New York child care programs, receiving responses from over 1,660 programs in just under five days – about 10% of child care programs in the entire state. From these 1,660 responses, we found that **28,462 children** cannot receive the child care their families need right now as a direct result of the poverty wages paid to child care providers. **3,800 staff positions are unfilled** because no amount of passion is enough to justify remaining in such a high stress occupation for minimum wage. **Over 750 classrooms in child care centers and afterschool programs are dark right now**, despite being counted towards our state's total licensed capacity, because they are completely unstaffed. **90% of child care centers in New York State are understaffed.** 70% of home-based child care providers that are understaffed could provide more care for **infants and toddlers** if they were fully staffed.

To begin to address this workforce crisis, New York should provide wage supplements to this essential workforce in a sustained and ongoing way while, at the same time, the NYS Child Care Availability Task Force develops a permanent compensation scale and structure, a plan for retirement and health benefits, and a pipeline of early childhood educators to ensure the growing workforce needs can be met. The average wage for child care workers in New York State – made up almost entirely of women and predominantly people of color – is [\\$35,190](#), one of the lowest among all professions. There can be no delay raising the sector's wages.

Another top ESCCC priority: New York must ensure immigrant families whose children are barred from accessing federal Child Care Development Block Grant (CCDBG) subsidies can access child care assistance on the same terms as all other families. With more than [100,000 asylum seekers](#) coming to New York in the last year, with as many as [30% of them children](#), the need for ensuring all immigrant families can access high-quality, culturally-responsive child care has never been greater. *All* New York families need and deserve child care.

These two proposals, while not all that is needed for child care this year, are essential next steps toward achieving what New York families, businesses, and child care providers really need to rebuild and create a thriving economy – **universal child care**.

1. Create a permanent, robustly-funded program to pay wage supplements to the child care workforce that continues at least until the NYS Child Care Availability Task Force develops and the state implements a permanent, fully-funded, equitable compensation program.

To curtail the flight of educators from the field, and encourage others to enter the field, this program **must be made permanent in the 2024-25 NYS Budget** (at least as a bridge program). **Without the promise that wage supplements will continue, programs will not be able to recruit and retain educators, the heart and soul of child care.**

The economics of child care are such that market forces alone will never be able to adequately fund high-quality care and wages for the sector. ***For our system to survive, government intervention is required to offer competitive compensation to child care professionals. Modeled after similar initiatives in [Washington, D.C.](#) and [New Mexico](#), this wage enhancement program would offer significant and sustained wage supplements to all licensed and registered providers in New York State the NYS Child Care Availability Task Force works to develop a compensation scale and structure.*** (By way of example, in Washington D.C., the municipal government in 2022 directly paid eligible providers \$10,000-\$14,000 supplements; payments in subsequent years will be determined by a compensation scale based on education, experience, and responsibilities.)

Critically, the supplements would be paid to all providers; they would not be tied to children receiving subsidized care. The existing grant portal that is now being used to distribute workforce retention and recruitment grants could be used to easily distribute funds to providers on a regular basis.

The staffing crisis in New York predated the pandemic, and, if the state does nothing, is on track to persist and worsen post-pandemic. Research conducted by the Center for American Progress estimates that New York State child care reimbursement rates pay anywhere from 9%-25% less than what it actually costs providers to deliver child care in a facility that meets the state's own licensing requirements.¹

This level of underfunding, as well as perceptions about the value of work performed by women (disproportionately by women of color) have long caused an unusually high turnover among child care staff.² The pandemic and its aftermath has led to a full-scale crisis in hiring and retaining qualified staff that threatens the viability of the system.

Looking ahead, New York's Child Care Availability Task Force has reconvened and should be tasked with delivering recommendations on who would be eligible for wage supplements and how much eligible individuals would receive. This can be seen as a temporary stepping stone until New York has measured the true cost of care, raised subsidy rates to reflect that cost, and expanded access to such a degree that all or most children are receiving subsidized care.

2. Create a state-financed fund to provide child care subsidies to immigrant families whose children are currently barred from accessing federal CCDBG subsidies – building from the small state pilot included in last year's budget and the Promise NYC program.

This fund will help enable immigrant families – including the tens of thousands of asylum-seekers newly arrived in New York – to enter the economic mainstream so they can achieve self-sufficiency, help address the state's workforce shortage, and grow our economy. This fund would also show the country that New York State is a leader in protecting and uplifting the rights of immigrant families.

Immigrants make up [22% of the state population](#) and are an increasing part of the population each year. Many of these immigrant New Yorkers are parents, and are a vital part of the state labor force, working in essential jobs that keep the state economy moving. In the last year in particular, New York has also become home to more than 100,000 asylum-seekers, many of whom are children. While CCDBG makes funds available for subsidies to children who are US citizens, regardless of their parents' immigration status, funds cannot be used to cover the subsidy costs for most non-citizen children. An estimated 23,250 income-eligible New York children are not "qualified" for subsidies under the existing system due to their immigration status, along with tens of thousands of asylum-seeking children.

Based on current uptake, we project that approximately 5,000 New York children of working parents are denied child care due solely to their immigration status.³ Thousands more who are eligible for subsidies under the current system likely do not gain access because their parents cannot prove their employment status or because they fear interactions with government agencies may lead to deportation or other immigration problems. In addition, many children who are asylum-seekers and have endured tremendous upheaval and uncertainty, need and deserve access to the stability and enrichment of a child care program.

This year, New York State should invest sufficient state funds to ensure all the state's children can have access to child care without regard to their immigration status.

¹ Simon Workman, The True Cost of High-Quality Child Care Across the United States, The Center for American Progress, June 2021. Table 1. The author has been commissioned to develop a more fine-grained analysis for use by OCFS, SED and Raising New York; CHILD CARE ASSISTANCE PROGRAM MARKET RATES, 22-OCFS-LCM-14, June 3, 2022 1 ATTACHMENT A, New York State OCFS. Comparisons are between OCFS rates for Group 4 (Albany, Hudson Valley) based on enrollment 50

weeks per year. <https://ocfs.ny.gov/main/policies/external/2022/lcm/22-OCFS-LCM-14-Att-A-Market-Rates.pdf>; https://cdn.americanprogress.org/content/uploads/2021/07/07075937/True-Cost-of-High-Quality-Child-Care.pdf?_ga=2.112560141.844551629.1630787795-1843063575.1620680063

² Craven, Meg, Noman Khanani, Xinxin Zhang and Caroline Parker, Center- and Program-Level Factors Associated with Turnover in the Early Childhood Education Workforce. Funded by the US Department of Education, this study is based on data collected before the pandemic. More recently some have suggested turnover could be as high as 40%, Sullivan, Emily Tate, The Pandemic Has Compounded the Turnover Problem in Early Childhood Education, Ed Surge.

<https://ies.ed.gov/ncee/rel/Products/Publication/50193>

³ According to the [Migration Policy Institute](#) there are 38,000 undocumented children under 16 in NYS. Proportionally reducing that to kids under 13, there are ~31,000 children. According to census data, 41% of NY children living in immigrant families have income of 200% FPL or less. Assuming eligibility is increased to 300% of FPL, we assume about 75% of these immigrant children would meet income eligibility for subsidies (or 23,250 children). Assuming 21% uptake, based on the current percent of families that choose to place their children in paid child care arrangements, that is about 4,880 children.