



## 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 statewide 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 \$100 million 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.

<b>Empire State Campaign for Child Care Asks</b>	<b>Cost Estimate</b>
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
<b>Total</b>	<b>\$485 million</b>

**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.