Ready for Kindergarten, Ready for College Campaign

Early Care and Learning Legislative Briefing

February 10, 2021
Thank you

■ To our co-hosts:

● Senator Shelley Mayer
● Assemblymember Kimberly Jean-Pierre
Overview: Child Care in New York State

- $4.3 Billion Dollar Sector
- 860,000 children in paid care arrangements (Centers, Family Based, Informal, etc.)
- Approximately 100,000 children served on average each month by subsidy system (down from 135,000 in 2011)
  - State supervised/locally administered system
  - Funded by federal, state, local government revenues plus parent fees
  - Counties set local eligibility policies within broad state parameters
Child Care is Unaffordable for Nearly ALL New York Families

Average annual cost infant in child care center: **$13,390**
To be “affordable” (**7% of income or less**): need income of **$191,285**

**COMPARE:**
- State Median Income/Family of 4: **$100,377**
- Family income, two adults earning NYC’s minimum wage of $15/hr: **$62,400**
- Family income, one adult earning NYC’s minimum wage of $15/hr: **$31,200**
Child care is essential to a healthy, inclusive economy

80% of US workers who left the labor force during the pandemic were women, September 2020

TOTAL U.S. (OVER 1.1 MILLION)

WOMEN (U.S.) 865,000
Latina Women (U.S.) 324,000
Black Women (U.S.) 58,000

Small Percentage of Eligible Children Served

Data Sources: Developed from 1) American Community Survey data for the number of children under 6 residing in households making less than 200% of poverty threshold and all parents in workforce, 2) 60% (the share of children under 6 served by NY’s subsidy system) of the average number of children served by NY’s child care assistance programs each month from July 2019-June 2020 according to NYS’ Office of Temporary and Disability Assistance.
Statewide Decline in Children Served Since 2011

Data Source: Office of Temporary and Disability Assistance – Statistical Report on the Operations of New York State Temporary Assistance Programs - 2011 and 2020
The pandemic has pushed the child care sector to the brink of collapse

- New York’s child care providers – who struggle to cover costs when operating at 100% capacity – have been averaging 40% capacity since March.

- More than 60% are losing money each month; the same percentage report having taken on personal debt or dipped into personal savings to cover shortfalls.

- Without significant relief soon, many providers will be forced to close their doors.

- Parents were apprehensive to use child care programs, center or family based. Most who continued to be enrolled and attend, were children of essential workers or parents who needed to be working outside their home.
### New York City Child Care

<table>
<thead>
<tr>
<th>Borough</th>
<th>Enrollment in subsidized child care for children under 5 in New York City boroughs</th>
<th>Children under 5 in households below 200% FPL</th>
<th>% of children under 5 served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bronx</td>
<td>19,784</td>
<td>63,023</td>
<td>31.4%</td>
</tr>
<tr>
<td>Brooklyn</td>
<td>24,114</td>
<td>86,673</td>
<td>27.8%</td>
</tr>
<tr>
<td>Manhattan</td>
<td>7,861</td>
<td>23,362</td>
<td>33.7%</td>
</tr>
<tr>
<td>Queens</td>
<td>9,149</td>
<td>51,814</td>
<td>17.7%</td>
</tr>
<tr>
<td>Staten Island</td>
<td>2,073</td>
<td>7,526</td>
<td>27.6%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>62,981</strong></td>
<td><strong>232,398</strong></td>
<td><strong>27.1%</strong></td>
</tr>
</tbody>
</table>

**Notes:**

*Subsidized child care* includes contracted Early Learn seats and vouchers for all modalities: center-based, family child care and informal.

*Children under five years old* include: infants, toddlers and preschool age children (three and four-year-olds). Preschool aged children may be enrolled in programs that are part of Pre-K for All or 3K for All.


- All 4-year-olds now have access to pre-K and a growing number of 3-year-olds are now enrolled in 3K for All. This year (SY 2019/20), nearly 87,500 children were enrolled in full day and half day Pre-K and 3-K For All.
New York City Child Care

**NYC Subsidized System by funding type**

<table>
<thead>
<tr>
<th>Year</th>
<th>Early Learn</th>
<th>Voucher</th>
<th>All Subsidized</th>
</tr>
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<tbody>
<tr>
<td>2013</td>
<td>106,681</td>
<td>72,287</td>
<td>34,394</td>
</tr>
<tr>
<td>2014</td>
<td>100,362</td>
<td>67,428</td>
<td>32,934</td>
</tr>
<tr>
<td>2015</td>
<td>100,195</td>
<td>68,271</td>
<td>31,924</td>
</tr>
<tr>
<td>2016</td>
<td>101,952</td>
<td>68,397</td>
<td>33,555</td>
</tr>
<tr>
<td>2017</td>
<td>99,596</td>
<td>66,683</td>
<td>32,913</td>
</tr>
<tr>
<td>2018</td>
<td>96,344</td>
<td>62,711</td>
<td>33,633</td>
</tr>
<tr>
<td>2019</td>
<td>93,241</td>
<td>61,193</td>
<td>32,048</td>
</tr>
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</table>

**Notes:**
*Subsidized child care* includes contracted seats (Early Learn) and vouchers for all modalities (center-based, family child care and informal) for all age groups (infants, toddlers, preschool and school-age children).

**Data Source:**
Pre-K System – A $848 million investment but only 2/3 of children have access

- State funded full day pre-K for 3 and 4 year olds to public schools with at least 10% reserved for community based organizations
- Amount of funding per student depends on the program:
  - UPK program: the funding is based on need and on the Foundation Aid allocation
  - The full day state funded, is $10,000 per student
- More than half of the children (and funding) in pre-K are in community based organizations

Read more [HERE](#)
Pre-K programs were hit hard by the pandemic

- As a result of the cuts to state funding for K-12 public education, pre-K programs were in danger of being eliminated or reduced
- The CARES Act include $1.1 billion for New York’s public schools. However, this impact of this money did not ever reach schools as the state cut an equivalent amount from its share of funding.

<table>
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<tr>
<th>Labor Region</th>
<th>Percent of Four Year Olds In Full Day Pre-K 2018-19</th>
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<tbody>
<tr>
<td>Capital District</td>
<td>24%</td>
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<tr>
<td>Central New York</td>
<td>27%</td>
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<tr>
<td>Finger Lakes</td>
<td>30%</td>
</tr>
<tr>
<td>Hudson Valley</td>
<td>19%</td>
</tr>
<tr>
<td>Long Island</td>
<td>13%</td>
</tr>
<tr>
<td>Mohawk Valley</td>
<td>28%</td>
</tr>
<tr>
<td>New York City</td>
<td>95%</td>
</tr>
<tr>
<td>North Country</td>
<td>29%</td>
</tr>
<tr>
<td>Southern Tier</td>
<td>48%</td>
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<tr>
<td>Western New York</td>
<td>34%</td>
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Pre-K in the 2021-2022 Executive Budget

- No increase in pre-K funding.
- The $12 million that the executive budget shows as an increase, is funding that was not used in years prior and is available to all school districts.
- The enacted budget must ensure that all pre-K funding remains available to school districts, even with fluctuations in enrollment.
Child Care in the 2021-2022 Executive Budget

- Flat funding for child care subsidies at $832 million.
  - The State general fund investment is $229 million, just above the minimum needed to draw down full federal Child Care Community Development Block Grant (CCDBG) funds.
  - $166.8 million of the total is federal CCDBG funds rolled over from FY 2020.
  - Reduces TANF funds investment in child care as compared to last year by almost $200 million; it is unclear where those TANF funds have been shifted.
Child Care in the 2021-2022 Executive Budget

- Positive proposals:
  - Invests $40 million to lower co-pays for families that receive them to no more than 20% of income over the federal poverty level, and $6 million for start-up grants to help reduce child care deserts.
  - Removes red tape and redundant requirements.

- Of concern: these initiatives come out of the flat $832 million of funding. This could mean that the state will have to offset these higher costs by reducing the number of families receiving subsidies.
Real opportunity to rebuild stronger early childhood systems

- Release the Child Care Availability Task Force recommendations and **invest the $469 million** in federal child care relief funds to both address the pandemic-related emergency needs of child care providers and working families, and strategically implement the Task Force recommendations.

- Incorporate the Task Force recommendations within the final 2021-2022 Budget, and include increased investment of **$485 million in child care**, to make child care more broadly accessible on equal terms across the state, and move NY toward universal access.
Real opportunity to rebuild stronger early childhood systems

- Invest $755M in pre-K to expand the promise of universal pre-K to all New York 4-year-olds with the appropriate supports.

- Increase reimbursement rates for preschool special ed by 10% and then ensure that it keeps pace with K-12 aid increases.
Useful resources

- 2021-2022 Testimony to the Joint Fiscal Budget Committees:
  - Alliance for Quality Education: 2021-2022 Executive Budget Education Testimony
  - Citizens Committee for Children: 2021-2022 Executive Budget Education Testimony
  - Schuyler Center for Analysis and Advocacy: 2021-2022 Executive Budget Human Services Testimony

- Proposed Plan for Investing New York’s Portion of Consolidated Appropriations Act of 2021 Child Care Stimulus Funds