

Child Care is Essential! How We Can Make Child Care Work for All New Yorkers

March 6, 2024

Empire State Campaign for Child Care



Empire State

Campaign for Child Care



New York Child Care: The Basics

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- NYS is home to 4,128,443 children under age 18; more than one million are under the age of 5
- 69% of NYS children (834,000) under the age of 6 have all available parents in the workforce
- Child care is the largest monthly bill for many NY families costing an average of \$3,357 per month (\$40,286 per year) for an infant and 4-year old in a child care center
- 107,386 children on Child Care Assistance in Dec. 2023 (7% of families who are income eligible for child care assistance are actually receiving it)



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.



Child care staffing shortages due to low wages have contributed to New York's child care capacity challenges

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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 will result in a **cut** to child care workforce compensation

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- Last year's budget included \$500 million of reprogrammed federal pandemic funds for workforce retention and recruitment grants.
- 75,000 child care educators received a retention bonus of \$3,000 for full-time child care educators; \$2300 for afterschool (totaling \$337,387,338).
- **This year's Executive Budget contains NO new funds for the child care workforce.** It calls for OCFS to distribute the remaining federal funds – approximately \$162 million – 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



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)
- Increase rates for family friend and neighbor child care providers (legally-exempt) to 75% of the family child care rate and to 85% for providers who are eligible for the enhanced to raise compensation for these providers. (\$50 million)



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, effectively barring many working parents in the gig economy, or in retail with fluctuating schedules from assistance. **(S.5327A/ A.4986A) (\$70 million).**
- **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.**
 - \$5 million for NYC – up from \$1.4M last year, to serve 275 more children
 - \$5 million, up from \$4 million last year
 - Re-appropriate last year's allocation to these programs to enable initial recipients to receive a full 12 months of scholarship funding.
- Commit NYS to use a cost estimation model to determine state child care reimbursement rates by 2025 **(\$250,000).**