

## **Empire State Campaign for Child Care 2024 Top Policy Priorities**

New York State took historic steps toward 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.

**Child care workforce challenges are severe and persistent.** The average wage for child care workers in New York State—who are almost entirely women and predominantly people of color—is \$35,190, one of the lowest among all professions. The small bonuses New York has provided to much of the workforce in recent years while helpful, fall far short of the permanent hike in compensation the sector needs to stabilize and expand to meet growing need.

Another challenge: thousands of low-income families are unjustly prevented from accessing child care by immigration status rules, lack of non-traditional hour care, and other access barriers. New York must enact policies to ensure that all families can access high-quality, culturally-responsive care when they need it. All New York families need and deserve child care.

Finally, with New York projecting a budget shortfall and economic headwinds, investing in child care must be recognized as critical to righting New York's economy. There are few investments with a greater public return than child care, estimated at 18% by the Minnesota Federal Reserve. This is because the impacts of insufficient access to high-quality, affordable child care are dramatic. Unpaid family caregiving sharply reduces parents' earnings, which in turn reduces the amount of tax revenue they generate. A 2023 ReadyNation report on infant-toddler child care determined that families with children under 3 years lose an average of \$5,520 per working parent annually in lost earnings and in time spent looking for work. Business also loses out due to productivity hits and the costs of turnover—an average of \$1,640 per working parent per year. New York cannot afford to continue to underinvest in child care.

Investments in children and families are vehicles that help our children, economy, and society thrive. Our Campaign takes the firm position that the Governor and Legislature should exhaust all avenues, including all progressive revenueraising options, to ensure that New York fully invests in services essential to the well-being of New York children and families, especially those from low-income, Black, brown, immigrant and other historically marginalized communities.

## Increase compensation and benefits for all members of the child care workforce.

- All members of the child care workforce need a sustained increase in compensation. To accomplish that goal, New York should:
  - Create a permanent state child care fund to increase child care worker compensation. This fund should be robustly resourced and sufficient to offer all child care workers compensation parity with similar positions in the public school system. All members of the child care workforce who work in licensed, regulated programs should be eligible to receive compensation supplements from this fund (\$1.2 billion); and
  - Increase rates for legally-exempt child care providers to 75% of the family child care rate and to 85% for providers who are eligible for the enhanced rate as a means of raising compensation for these providers, and require that the enhanced rate is made readily available to interested legally-exempt providers in all Local Social Services Districts (\$50 million).
- Commit New York State to using a cost estimation model to determine state child care reimbursement rates by 2025 with meaningful input from child care providers and parents (\$250,000).

## Help ensure ALL New Yorkers can access child care

- ▶ Take more steps toward ending the practice of denying New York children child care assistance due to immigration status by expanding the state-funded child care assistance pilot programs created in last year's budget under the Facilitated Enrollment Program to serve some of NY's immigrant children barred by federal law from participating in the New York's Child Care Assistance Program (CCAP) (\$10 million − up from \$5.4 million last year).
- ▶ End New York's long-standing and inequitable rule of tying child care access to parents' exact hours of work, which makes it difficult for many working parents, including parents working in the gig economy, or in retail with fluctuating schedules. This law was passed overwhelmingly by the Legislature in 2023, then vetoed by the Governor for fiscal reasons. The bill has been reintroduced in 2024: (S.8152 (Brisport)/ A.8878 (Hevesi)) (\$70 million).
- ▶ Enact presumptive eligibility statewide, with child care assistance costs covered by federal and state funds (not solely Local Social Service Districts funds), so families do not need to wait for paperwork processing to begin receiving assistance (\$30 million). (A.4099 (Clark)/ S.4667 (Brouk))
- ▶ Take steps to increase capacity for non-traditional hour care by (1) requiring the payment of an enhanced reimbursement rate of 15% statewide for non-traditional hour care; and (2) commencing a pilot program to provide a monthly per-child supplement for non-traditional hour care and start-up grant program for providers seeking to offer non-traditional hour care (\$100 million). (A.1374 (Clark)/S.4079 (Brisport))
- Expand access to care for children with special needs by dedicating state funds to provide supplemental payments to child care programs who care for children with special needs (\$50 million).
- Prohibit requiring parents or caretakers to meet a minimum earnings requirement or work a minimum number of hours to be eligible for child care assistance (\$50 million). (A.1303 (Clark)/S.4924(Ramos))

## **Additional Campaign Priorities**

- Establish health insurance premium support program for child care workers as their income rises above Medicaid eligibility levels.
- Make child care educators categorically eligible for child care assistance and eliminate the state subsidy rule prohibiting parents from teaching their own children.
- Pay child care assistance (subsidies) to child care providers based on enrollment or capacity, not attendance, statewide.
- Pay child care assistance (subsidies) to child care providers prospectively (at the beginning of the month, as is the practice with private pay families), not as a reimbursement.
- Pay all child care providers at the established market rate, even when that rate exceeds their private pay price. (A.2019 (Clark)/S.3070 (Ramos))
- Fund CCR&R Infant Toddler Mental Health and Equity Initiatives where culturally responsive child care that addresses the mental health needs of our youngest children is accessible to all children and families.
- ▶ Enact legislation requiring New York State's Council on Children and Families or another appropriate body to work with State agencies, providers, advocates, and parents to study the effects of Pre-K expansion on the child care sector across New York State and make recommendations to ensure these two essential systems are aligned and well-coordinated, and the members of the workforce in both sectors are equitably compensated.