

## Assessment of the State Fiscal Year 2024-2025 Executive Budget

This report provides the statutorily required assessment of “the proposals contained within the executive budget submission that are expected by the advisory council to impact the child poverty rate.” The Child Poverty Reduction Advisory Council (CPRAC), which is publishing this report, is charged by law with making evidence-based recommendations for reducing child poverty by 50 percent in New York State over a 10-year period, culminating in 2031, and monitoring the state’s progress towards this goal.

Pursuant to Social Services Law 131-zz, this report provides an overview of the proposals within the State Fiscal Year 2024-2025 Proposed Executive Budget that are anticipated to have an impact on child poverty in the state.

In this report, the Council considers those proposals, including new investments and continuations of existing programs and services that affect child poverty. To analyze and report on the proposals and their expected impacts on child poverty, the Council considers:

1. Do the proposals represent investments in new or existing programs or policies?
2. Will the investments have a direct or indirect impact on child poverty?
3. Will the investment have an immediate or long-term impact on child poverty?
4. Will the investments have a short- or sustained impact on child poverty?

Itemized below are the proposals within the Executive Budget that are anticipated to affect child poverty. There are proposals within the Executive Budget that would have an *indirect* and *long-term* effect on child poverty, such as the "Back to Basics" reading plan to take statewide action to ensure that every school district utilizes instructional best practices grounded in the evidence-based Science of Reading approach. Meanwhile, other proposals will have *direct*, *short-term* effects on child poverty, including provision of continuous Medicaid and Children’s Health Insurance Program (CHIP) funding for eligible children up to age six.

The CPRAC recognizes the urgency of the child poverty crisis and is in the process of developing evidence-based proposals for potential recommendation that research has shown would have direct, immediate, and sustained effects on child poverty and assist in alleviating racial and ethnic disparities of poverty. While this report does not assess the Executive Budget proposals’ impacts on the racial inequity associated with poverty, the CPRAC recognizes this is a critical component of its work.

Pursuant to law, the Council is continuing to examine a range of different policy options, including tax credits, program reforms, and other investments, in order to develop actionable recommendations that would enable the State to achieve its poverty-reduction goals. CPRAC also seeks to consider recommendations’ ability to alleviate racial and ethnic disparities of poverty. The Council’s analyses, including ongoing research to develop updated benchmarks in New York State, will help develop additional evidence for action.

## **Key Definitions**

For the purpose of assessing the proposals within the Governor's Executive Budget that are expected by the CPRAC to impact the child poverty rate, within ten days after the Governor offers any amendments to the Executive Budget submission, this report considers three categories of potential impact for each proposal:

- Whether a proposal is new or existing
- Whether a proposal will have a direct or indirect effect on child poverty
- Anticipated timing of a proposal's effect on child poverty

### **Whether a proposal is new or existing:**

- **Existing:** Proposal involves continued and/or additional funding of significant prior-year investments.
- **New:** Proposal involves new policy, program, and/or spending

### **Whether a proposal will have a direct or indirect effect on child poverty:**

- **Direct:** Proposal is anticipated to affect household resources directly, such as by providing cash, subsidy, higher wages (including in the form of employment and/or health benefits that reduce out-of-pocket costs), or allowing individuals to retain more money, and to produce a measurable change in the rate of child poverty.
- **Indirect:** Proposal is anticipated to strengthen supports available to low-income households, and to contribute to reduction of harms (e.g., illness, delayed literacy, criminal justice involvement) that undermine the future economic mobility of children, but does not change household resources. For example, education investments that improve educational outcomes, which generally lead to higher wages over individuals' lifetimes, or the use of dollars to hire staff or advance workforce initiatives, which are key investments for various programs but don't directly affect household resources.

### **Anticipated timing of impact on poverty:**

- **Immediate:** Proposal is anticipated to result in a measurable change in the child poverty rate within 2-6 years of implementation, therefore contributing to achieving the CPRA goal of reducing child poverty by 50% by 2032.
- **Long-term:** Proposal is anticipated to contribute to achieving the 50% child poverty reduction goal over a longer time period (more than 6 years), including time by addressing intergenerational poverty.
- **Temporary:** Proposal is anticipated to achieve a temporary change in the rate of child poverty.

## Addendum 1

### Impact Scorecard: Executive Budget Proposals Expected by the Advisory Council to Impact the Child Poverty Rate

Budget Item	New or existing effort	Direct vs indirect impact	Timing of impact
<b>EMPLOYMENT/WAGES</b>			
Seek stronger protections against wage theft and child labor law violations, including through a proposed measure to granting levy powers for the New York State Department of Labor's Worker Protection Unit, which investigates wage theft across New York State	New	Indirect	Long-term
Expand paid medical and disability leave benefits over the next five years	New	Direct	Long-term
\$57 million in State funds to support minimum wage increases, including indexing minimum wage to inflation, for staff at programs licensed, certified, or otherwise authorized by OPWDD, OMH, and OASAS	New	Direct	Immediate
Reforms to support individuals returning to work post childbirth, including requiring paid breaks for breast milk expression in the workplace	New	Indirect	Immediate
Continuing the efforts included in the FY 2024 Enacted Budget by investing an additional \$4.7 million to provide year-round employment opportunities for at-risk youth through the Summer Youth Employment Program (totaling \$50 million) and the Youth Opportunities Program (totaling \$38.8 million)	Existing	Indirect	Long-term
<b>CHILDHOOD</b>			
<b>Education</b>			
"Back to Basics" reading plan to take statewide action to ensure that every school district utilizes instructional best practices grounded in the evidence-based Science of Reading approach	New	Indirect	Long-term
Improving afterschool programming by combining the Advantage and Empire State After-school programs into a single program and increasing afterschool funding to standardize funding and eligibility	New	Indirect	Long-term
<b>Child Care</b>			
Provide new grants and incentives to child care providers by investing underutilized federal pandemic funds to support child care programs and their workforces	New	Indirect	Long-term
Piloting staffed Family Child Care Networks (FCCNs) in regions around the state, with a focus on supporting and growing the capacity of family and group family child care providers to expand business and operational support for family child care programs, the majority of which are staffed by women of color	New	Direct	Long-term
Continuing the State's more than \$7 billion four-year plan to expand access to child care and improve affordability for young families by providing nearly \$1.8 billion in resources towards child care assistance	Existing	Direct	Long-term

Budget Item	New or existing effort	Direct vs indirect impact	Timing of impact
<b>CHILDHOOD</b>			
<b>Healthcare</b>			
New \$7 billion Medicaid initiative secured through a 1115 waiver, which will significantly expand coverage for health-related social needs services, such as housing and transportation support, for Medicaid beneficiaries meeting certain qualifying criteria, in addition to providing social care screenings and referrals to services for all Medicaid members	New	Direct	Long-term
<p>Six-point maternal and infant health agenda, including:</p> <ul style="list-style-type: none"> <li>Expanding New York’s nation-leading statewide Paid Family Leave policy (PFL) to include 40 hours of paid leave to attend prenatal medical appointments</li> <li>Allowing access to doula services without the need for a physician referral</li> <li>Eliminating cost-sharing, including co-pays and other out-of-pocket costs, for pregnancy-related benefits for any New Yorker enrolled in the Essential Plan or Qualified Health Plans, and expanding coverage for doula services within the Essential Plan</li> <li>Launching new initiatives to reduce the rate of unnecessary C-sections, including new oversight measures allowing the Department of Health to hold providers accountable and a new Medicaid financial incentives for hospitals to reduce the number of unnecessary C-sections</li> <li>Training counselors answering the 988 Suicide and Crisis Lifeline on issues related to maternal mental health, postpartum depression, and anxiety, and expanding Project TEACH’s Maternal Mental Health initiative to include support for additional patient-facing professions, such as therapists, lactation consultants, WIC staff, home visiting nurses, and other frontline practitioners</li> <li>Providing funding for the distribution of portable cribs for under resourced New Yorkers at no cost to reduce the risk of Sudden Unexpected Infant Deaths (SUID)</li> </ul>	New	Direct	Long-term
Working with the federal government to provide continuous Medicaid and Children’s Health Insurance Program (CHIP) funding for eligible children up to age six	New	Direct	Immediate
Eliminate co-pays for insulin cost-sharing for any New Yorker on a State-regulated health insurance plan	New	Indirect	Immediate
Combating medical debt by prohibiting the sale of medicine for an unconscionably excessive price during a drug shortage and protecting low-income New Yorkers from medical debt lawsuits by prohibiting hospitals, health care professionals, and certified ambulances from reporting medical debt to credit agencies	New	Indirect	Immediate

Budget Item	New or existing effort	Direct vs indirect impact	Timing of impact
<b>PUBLIC BENEFITS</b>			
Securing more than \$200 million in federal funding for nutrition assistance from the USDA's Summer EBT program to provide summer meals to an estimated 2 million children who receive free or reduced-price school meals during the school year, reducing hunger and food insecurity	New	Direct	Long-term
\$50 million anti-poverty pilot program targeting cities in Upstate New York with high poverty rates (Rochester, Buffalo, and Syracuse), supporting locally-driven efforts to address the immediate needs of children and families	New	Direct	Immediate
Providing \$17M in funding to local social services departments to support hiring of staff to provide families with specialized wrap-around services and case management as well as in-depth clinical assessments, crisis intervention, and referrals to mental health providers or other appropriate services or treatment, as needed	New	Indirect	Immediate
<b>HOUSING</b>			
Four-part proposal to help New York City increase its housing supply by advancing legislation that would: <ul style="list-style-type: none"> <li>• Provide new tax incentives and extend the construction deadline for prior incentive,</li> <li>• Allow NYC and ESD to lift outdated residential density restrictions where appropriate,</li> <li>• Encourage affordable housing in office conversions, and</li> <li>• Create a path toward legalizing existing basement and cellar apartments</li> </ul>	New	Indirect	Long-term
Create a \$500 million capital fund to support the development of up to 15,000 units of housing on state-owned land	New	Indirect	Long-term
Take action to combat housing discrimination against Section 8 voucher recipients	New	Indirect	Immediate
Advancing legislation to increase protections for affordable housing providers by prohibiting insurance carriers from making coverage determinations or raising premiums on property owners based on tenant level or source of income, the existence of affordable housing units, or the building's or tenants' receipt of government assistance	New	Indirect	Long-term
Continues the \$25 billion, five-year Housing Plan, which is on track to create or preserve 100,000 affordable homes by the end of FY 2027, including 10,000 homes with supportive services for vulnerable populations, and electrify an additional 50,000 homes.	Existing	Indirect	Long-term

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