



Executive Budget for Child Care Is Short on Funds and Vision

The Governor and Legislature have an opportunity in the final budget to strengthen and set New York's child care system on a path to serving all New York families

Empire State Campaign for Child Care and Winning Beginning NY are statewide coalitions focused on strengthening New York's child care system. Together, we engage over 75 organizations, including provider networks, unions, and child care policy and advocacy groups with thousands of members. New York families with young children, and the child care sector that serves them, have been hit hard by the impacts of COVID-19. Our members and leaders are deeply concerned the Executive Budget contains no new state investments in child care, nor a plan to quickly and effectively invest \$450 million in federal relief dollars earmarked to rebuild the child care sector and support working families.

Governor Cuomo's Executive Budget is a missed opportunity for New York to kickstart implementation of the Governor's Child Care Availability Task Force recommendations and build child care back better. The Task Force, convened in 2018, was required by statute to release recommendations in December 2020. We understand those recommendations will be released soon, and are likely to set forth an ambitious, comprehensive plan to put New York on a path toward making child care accessible to all New York families. **We call upon the Governor to release the Governor's Child Care Availability Task Force recommendations, and urge the Governor and Legislature to fully incorporate, and fund, those recommendations in the Final Budget.**

Governor Cuomo recognized in his State of the State address the extraordinary challenges the pandemic has caused the child care sector and the families that rely on it. His words were powerful: "[w]e saw the lack of access to affordable child care disrupt low-income families and force caregivers, primarily women, to choose between putting food on the table and caring for their children." These words capture the pain the lack of child care access has caused too many families during the pandemic – and long before. They also acknowledge the vital role we *know* child care providers – as small businesses predominantly owned and operated by women and overwhelmingly women of color – play in the lives of the working families they serve in their communities. Yet this Executive Budget does not rise to meet these extraordinary challenges.

The Executive Budget includes some positive proposals including a reference to the Task Force recommendations, and an investment of \$40 million (reappropriated from last year) to strengthen New York's child care subsidy system by lowering co-pays for families that receive them, and \$6 million for start-up grants to help reduce child care deserts – census tracts in NYS where there are more than 50 children under age five and either very few or no programs to serve them. It also removes red tape and redundant requirements – all small, but important, steps toward creating a more uniform, equitable, accessible child care system. Unfortunately, small steps are not what this critical moment requires.

The challenges facing New York families and the child care sector as we enter 2021 cannot be overstated. The COVID-19 economic downturn had pushed an additional 325,000 children into poverty or near poverty as of July 2020. With the pandemic persisting, we believe that number is now much higher. Women are being disproportionately forced to reduce work hours or drop out of the workforce to care for children unable to attend in-person school or child care. Thousands of New York families are facing mounting economic insecurity due to reduced hours and furloughs, yet, a program that allowed counties to waive family co-pays for child care and expand subsidy support to more families is ending in many communities due to lack of funding. This could cause many families to have to pull their children out of programs, with clear negative impacts for parents, children, child care providers, and local economies.

At the same time, just as the state is gearing up for recovery – and getting New Yorkers back to work, New York’s child care sector has been teetering on the edge 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.

There is a clear path forward. **We call upon the Governor to release the Child Care Availability Task Force recommendations and draw from the more than \$450 million in federal child care relief funds New York has already received and will be receiving to immediately begin to strategically implement the Task Force recommendations. We call upon the Governor and Legislature to incorporate the Task Force recommendations into the final 2021-2022 New York State Budget, and include increased investment in child care, drawing from remaining emergency federal funds, ongoing federal CCDBG, TANF and state investments, to further implement these recommendations and build toward sustainability.** We recognize that sustaining new investment in the years to come may be difficult, but New York is tough, visionary, and resourceful. If we seize this opportunity, New York could emerge from this pandemic with the best child care system in the nation. We will then work together to nurture and sustain child care, just as child care nurtures and sustains New York’s children and families.