Senator Brouk and Senator Gounardes: Why a Tax Credit Can Help Reduce Local Poverty

SAMRA G. BROUK April 3, 2025

Ask nearly any working parent in New York, and they'll tell you the same thing: It's getting harder to make ends meet.

Groceries, rent, child care, clothes. The cost of raising a family here has become so punishingly high that many New Yorkers have been left with no choice but to leave. And those who remain are struggling: one in five New York children now live in poverty.

The problem is particularly acute here in Rochester. Nearly half of all children in the city are struggling with poverty, the fifth-highest rate among comparably-sized cities nationwide.

Working alongside local groups like RMAPI and The Children's Agenda, who have spent years fighting poverty, we've learned that making change in places like Rochester requires solutions that both meet families' immediate needs while giving them the stability and support to build better lives for the long run.

When Gov. Kathy Hochul signed the Child Poverty Reduction Act, she pledged to cut child poverty in half by 2031. To do that, she created the expert Child Poverty Reduction Advisory Council (CPRAC), which recently published its final recommendations to turn poverty reduction from a goal into concrete policy proposals.

CPRAC's report is deeply researched and thoughtfully written, but its top recommendation comes as no surprise: expand the child tax credit to put more money in parents' pockets.

We've seen this strategy work before. When the federal government expanded the federal Child Tax Credit during the COVID-19 pandemic, it lifted nearly 3 million children out of poverty, a record-setting achievement. But Washington dropped the ball and let the expanded credit expire. Since then, child poverty nationally has more than doubled.

This month, Gov. Hochul announced a proposal to increase the Empire State Child Credit to up to $1,000 for children under four and $500 for those aged 4-16. That's a great start, but to truly meet the moment and give families the support they need, we need to go further.

CPRAC's top recommendation is essentially identical to our proposal for a Working Families Tax Credit, a game-changing policy that would put extra money in New Yorkers' pockets, reduce child poverty and bolster the middle class.

To build stable, thriving communities, we need stable, thriving families. Our Working Families Tax Credit would raise the maximum annual credit to $1,600 per child, guarantee a $100 minimum credit per child, eliminate the cap on the number of eligible kids and pay out the benefit quarterly instead of once per year.

What does that mean for Rochester families? More money in parents' pockets. Imagine a family of four with a toddler and school-age child that brings in $65,000 annually. They receive just $660 under current tax policy. Under the governor's proposal, they'd get $1,500. But under our Working Families Tax Credit, they'd receive at least $3,200—a transformative amount of money to help pay for groceries, doctor's appointments, school supplies and rent. Plus, our credit would be pinned to inflation, so support for families will grow even if costs rise.

We have both a legal and moral obligation to ensure no child goes to sleep hungry. If we're serious about supporting Rochester families, we should follow the recommendations of the governor's own expert panel and pass the full Working Families Tax Credit this year. We have all the data we need. Now, it's time to act.

RELATED LEGISLATION

2025-S2082

- Introduced
- - In Committee Assembly

- In Committee Senate

- On Floor Calendar Assembly
  - On Floor Calendar Senate

- Passed Assembly
  - Passed Senate

- Delivered to Governor
- Signed By Governor
-

Relates to a working families tax credit

January 15, 2025

In Senate Committee Finance

Sponsored by Andrew Gounardes

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