



NEW YORK STATE SENATOR

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New York State Child Care Proposals

VELMANETTE MONTGOMERY August 4, 2020

| ISSUE: [CHILD CARE](#), [CHILD CARE BLOCK GRANT](#), [CARES ACT](#)

Proposal 1 - Build upon and strengthen the Governor's Child Care Reopening and Expansion Incentive Grants:

Proposal: Make operating grants available to all licensed and registered programs regardless of whether they have remained open or are re-opening. All providers – whether they stayed open or closed temporarily – need direct financial support to address the loss of revenue that resulted from lower enrollment, smaller group size and social distancing requirements. The State should provide payments to providers who have faced enormous revenue losses due to the pandemic (closure, increased regulations, etc.).

Specifically, payments should be made to all licensed and registered providers who will be open by September 15, 2020. Programs that received a transitional operating grant under the \$65 million NY Forward Child Care Expansion fund would have their grant amount under this program reduced by the amount of the grant received under that initiative. For example, if a Child Care Center provider received \$1,500 under the previous round of funding – they will receive \$4,000 under this program instead of \$5,500.

Payment amounts should be adjusted by region. Below are estimates of average payment amounts:

- Family Child Care Providers: at least \$3,500 (\$12.7 million)
 - \$3,500 = approximately 3 children a month
- Group Family Child Care Providers: at least \$5,500 (\$44.6 M)
 - \$5,500 = approximately 4 children a month
- Centers: at least \$5,500 (less than 100 children) and at least \$7,500 (more than 100 children) (\$32 M)
 - \$5,500 = approximately 4.5 children for 1 month
 - \$7,500 = approximately 6 children for 1 month
- School-Age Child Care programs: at least \$7,000 (\$19.9 million)
 - \$7,000 = approximately 5.5 children for 1 month

Funding: Estimates for State total \$109.2 million , minus \$45 million from prior round of funding = \$64.2 million

Proposal 2 - Use existing Child Care Block Grant and TANF funds, as well as any remaining CARES Act dollars, to help counties maintain child care

subsidy waivers through the end of 2020, while also establishing policies that create a fairer and more equitable child care assistance system throughout New York State.

Proposal : Ensure low-income working families, many of whom have been working on the frontlines of the pandemic throughout the crisis, have access to subsidized, safe, affordable child care by reallocating existing funds to support county efforts to extend and expand temporary subsidy waivers through the end of 2020 . These funds will also be used to help counties afford the cost of structural improvements to New York State's subsidy policies. Specifically:

Support the Extension of COVID-Related Waivers and Expanding Access to Assistance

- Reimburse providers for child absences from care. As a public health matter, it is essential to ensure that child care providers are not penalized financially for imposing strict policies barring sick children from care.
- Waive parent copays through the end of 2020 as a transition to a consistent statewide parent fee structure in 2021 that caps costs at 10% of family income.
- Require all counties to, at minimum, provide subsidy to families earning less than 200% of poverty, and incentivize counties to serve up to 85% state median income.

Make New York's Child Care Subsidy System Fairer and More Equitable

- Require that counties provide child care subsidy to families involved in child welfare, foster families, and children with special needs consistently statewide.
- Require counties to provide subsidy to families seeking employment and/or participating in job training and educational programs.
- Prioritize the child care workforce as eligible for subsidies to ensure sufficient staffing for programs.
- Streamline and modernize the subsidy system to be less reliant on paper and to utilize technology more effectively.

Funding: Re-allocate and streamline existing CCDBG funding and any remaining CARES child care funds. Specifically, of the remaining \$70 million in CARES funds, approximately \$6 million would remain after the stimulus funds plus approximately \$10 million left from the Essential Worker Scholarship funds, plus anything unspent from the CARES Reopening Incentive Grants. This totals at least \$16 million in available CARES Act funds.