

Empire State Campaign for Child Care

March 15, 2020

Honorable Andrew M. Cuomo Governor of New York State Executive Chamber State Capitol Albany, NY 12224

Senator Andrea Stewart-Cousins Senate Majority Leader 907 Legislative Office Building Empire State Plaza Albany, NY 12247

Assemblymember Carl E. Heastie Speaker of the Assembly 932 Legislative Office Building Empire State Plaza Albany, NY 12248

Re: Urgent needs of child care programs across New York State, and the families they serve, in the face of the COVID-19 pandemic.

Dear Governor Cuomo, Senate Leader Stewart-Cousins and Assembly Speaker Heastie:

We are child advocates, child care providers, Child Care Resource and Referral Agencies, union leaders, and parents – all members of New York's statewide childcare coalition, the Empire State Campaign for Child Care, and/or New York's pre-natal to 8 early care and learning coalition, Winning Beginning New York. Thank you for the important steps New York has taken to protect and preserve the public and economic health of New York as we face the growing impact of the COVID-19 pandemic. We are grateful for your leadership.

We are writing to highlight the specific and urgent needs of child care programs across New York State, and the families they serve, and to ask you to take all steps necessary to ensure that as many programs as possible can continue to provide a safe, nurturing environment for children during the outbreak. Attention to this issue is particularly critical given that need for child care in some communities will likely <u>increase</u> during this crisis due to school closures. And, many parents, including those in the medical field and first responders, may need to work longer hours than usual.

At the same time, immediate support is needed to prevent widespread permanent closures of programs that are operating on margins so razor thin they cannot withstand even short-term dips in revenue. Indeed, New York's child care system is facing this emergency already enfeebled: in the past five years, New York State lost 12,152 child care facilities.

We appreciate that the Governor's March 13, 2020 Executive Order contains some provisions designed to alleviate some of the challenges that child care providers, and the families they serve, will face. Specifically, the Executive Order relaxes many child care licensing standards, including teacher/child ratios, to allow providers to serve more children, and more easily utilize substitutes. The Executive Order also eliminates the waiting period for unemployment insurance claimants whose claims for unemployment insurance arise directly out of closings of schools or other workplaces in which claimants were employed, or out of claimants' isolation or quarantine in connection with COVID-19. This will provide important economic support to some child care educators.

However, there are still numerous challenges child care providers will face in this crisis, including:

- A drop in revenue in those counties that do not pay subsidy for absences. In
 those counties, child care providers may not receive payment for children
 receiving child care subsidy who are not attending child care because they are ill,
 or their family is in quarantine or because the provider must close for public
 health reasons.
- A drop in revenues if parents are unable to pay child care in full, or co-pays (for those families receiving a child care subsidy) because the parent(s) are out of work due to the pandemic.
- An inability to pay educators during closures and/or if attendance dips significantly for the reasons stated above.
- While the expansion of eligibility for unemployment insurance by the Executive
 Order will help many child care educators qualify, many others in the field will
 still not be eligible, including the thousands of self-employed providers, and the
 many child care educators who have not been employed for long enough to meet
 the work history requirement.
- Most liability insurance plans do NOT cover business interruptions due to a "viral or bacterial" outbreak.

Among the challenges working families may face, particularly low-income working parents who rely on child care subsidies:

- A loss of subsidy if they lose their job due to the economic upheaval of the pandemic, or because they are quarantined or become ill.
- Food insecurity if they qualify for nutrition support through Child and Adult Care Food Program (CACFP), and the child care program is closed.
- An inability to pay child care tuition or co-pays if parent work hours are reduced due to the pandemic.
- An inability of parent(s) to work if their child care program is closed, but they are still required to be a work.

Here are a few solutions we urge you to implement immediately. First, New York State should provide significant and flexible state emergency funding to enable a critical mass of child care programs to remain open during the crisis to ensure that parents providing essential medical, public health, government, social, public safety and other services can continue to work; and preserve and stabilize the state's child care centers and home-based providers so they can all weather this emergency. Among the reasons providers should be eligible to receive a grant:

- A simple demonstration of current or projected financial distress and/or risk of closure due to financial circumstances. The value of the grant would be based on a percent of the provider's total budget (e.g., smaller providers would be eligible for smaller tax credits than larger providers); and/or
- A simple demonstration that the provider cannot cover payroll for all employees during a coronavirus-related closure or reduction in hours (insofar as employee salaries are not covered by state or federal sick pay); and/or
- A need for resources to cover the costs of substitute educators, and increased program expenses due to increased sanitation, and other issues.

Some or all of these funds could be derived from a portion of workforce development/economic development funds directed to child care – given that the health and economic survival of New York's child care provider base is essential to the health of New York's economy.

Second, New York should use existing Child Care Development Block Grant (CCDBG) funds – freed up for broader use in cases of Federal- or State-declared emergencies – to serve as many families as possible, and shore up providers during this period of emergency. Among our specific recommendations, we urge that New York require all local Department of Social Services (DSS's) to do the following, and that the State provide all DSS's with the funding needed to implement these recommendations:

- Adjust payment policies so they are based on enrollment of children rather than actual
 attendance. This will allow sick children and parents to stay home without disrupting
 revenue for providers who already experience precarious operating budgets;
- Waive any state policies that terminate child eligibility based on a specific number of absent days, within their 12-month eligibility policy;
- Temporarily suspend redetermination of family eligibility for child care subsidies;
- Use Child Care and Development Fund (CCDF) quality dollars to cover emergent, immediate needs of providers, families and children;
- Deliver information to providers and parents, in all appropriate languages, about the availability of the USDA Summer Food Service Program or Seamless Summer Option meal service in the event of program closure; and
- Direct providers to waive co-pays for families impacted by changes to their work schedule and income, and adjust reimbursement rates accordingly.

Finally, we recognize that events are moving quickly, making it difficult to communicate news in a timely manner to all communities. However, given how critical is the health, safety and care of our youngest New Yorkers, we urge you to ensure that child care providers and the

families that rely on child care are promptly advised of closures, rule changes, and other critical information in all appropriate languages.

Thank you for your attention to the needs of New York children, their families, and the child care providers that serve them. Please let us know how we can support your efforts to meet their needs under these challenging circumstances.

Respectfully,

Winning Beginning New York
Empire State Campaign for Child Care

NYS Assemblymembers

cc: Kathy Hochul, Lieutenant Governor of New York State
Sheila Poole, Acting Commissioner, NYS Office of Children and Family Services
Roberta Reardon, Commissioner, NYS Department of Labor
Howard Zucker, Commissioner, NYS Department of Health
Michael Hein, Commissioner, NYS Office of Temporary and Disability Assistance
Melissa DeRosa, Secretary to the Governor
Paul Francis, Deputy Secretary, NYS Health and Human Services
Kerri Neifeld, Assistant Secretary for Human Services
Kelli Owens, Executive Director of the Office of Prevention of Domestic Violence
Janice Molnar, Deputy Commissioner, Division of Child Care Services, NYS OCFS
Jim Malatras, SUNY Empire State College President
NYS Senators