



February 12, 2021

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

Assemblymember Carl Heastie  
Speaker of the Assembly  
932 Legislative Office Building  
Albany, NY 12248

**Re: Request that 2021-2022 Budget Include Parameters for  
Use of Federal Child Care Stimulus Fund**

Dear Majority Leader Stewart-Cousins and Speaker Heastie:

On behalf of New York's statewide campaign for child care, **the Empire State Campaign for Child Care**, the state's birth to eight coalition, **Winning Beginning New York**, and the hundreds of child care providers, parents and child advocacy organizations we represent, we urge you to include, in the one-house and final budgets, Article VII language setting forth how New York State shall invest the \$469 million in child care stimulus funds just received under the Consolidated Appropriations Act of 2021, and any additional forthcoming child care relief funds. The \$469 million just allocated to New York amounts to more than half the State's entire annual budget for child care subsidies. Looking ahead, it is likely New York could receive almost \$2 billion in child care relief funds this spring in the next round of stimulus relief.

**To make the best, most effective use of these funds, it is essential that these funds are budgeted with input from the Legislature, and from those on the ground – the child care sector and working families – who know best what is needed to meet their needs.** Each of the members of your respective houses has a special connection to their communities and constituencies. That perspective could be lost if the Legislature is excluded from the planning. Further, it is a central tenet of New York's democratic governance that State budgeting decisions be made collaboratively by the Executive and Legislative branches. How these federal funds are invested will determine the shape and strength of the child care sector, and who has access to this essential service, for years, even decades, to come.

The stakes could not be higher. There can be no recovery from the devastating impacts of this pandemic without child care. Yet, without swift, effective disbursement of existing and future federal pandemic emergency aid, along with a robust increase in annual State funding, the state's child care sector – fragile in the best of times – may collapse just as the state turns the corner toward recovery. Eleven months into the pandemic, the challenges facing New York families with children and the child care sector they rely upon cannot be overstated; this influx of federal funds presents a unique opportunity to transform New York's child care system into the strongest, most equitable in the nation.

We call upon the New York State Legislature to ensure that **New York’s 2021-2022 Enacted Budget** invests ongoing State and federal child care funding, along with the federal child care relief funds in the following ways to meet immediate needs of the sector, and low-income families, and to lay the foundations for a universal system serving all New York families who need care, one animated by the emerging recognition that child care is a public good, essential to a healthy economy, and an integral part of a birth to 12 education system. These recommendations are informed by lessons learned from the roll-out of the CARES Act funds and by [recommendations of national experts](#), and is aligned with the long-term plan we expect the Child Care Availability Task Force to be releasing soon. Further, they were developed based on input from providers from all modalities from around the state, CCR&Rs, parents, and child-serving and child advocacy organizations.

### **Support Families Receiving Subsidy and Stabilize Providers through the Existing Child Care Subsidy System**

At least \$380 million of funds in the 2021-2022 fiscal year should be directed to flow through each social services district subsidy system, with funds distributed proportionally using the existing county subsidy allocations and the number of low-income children per district as a model, but adjusted to ensure prioritized support for communities hit hardest by the impacts of the pandemic, chief among them communities of color, low-income, and immigrant communities. Each social services district should be required to implement and maintain the following rules for at least 12 months.

#### **For Families:**

- Reduce or maintain parent co-pays to no more than 10% of income over the federal poverty level;
- Incrementally expand subsidy eligibility to at least 85% of the state median income;
- Take deliberate action to ensure that existing capacity for infants and toddlers is maintained in the short term and expands as the economy recovers.
- Ensure subsidies are available to all income-eligible families who are: unemployed and seeking work, retraining, or pursuing higher education; involved in domestic violence; involved in the child welfare system; experiencing homelessness; immigrant families, including those in which some or all members are without immigration authorization;<sup>1</sup> and children with special needs; and
- Given that families of children with disabilities have had a particularly difficult time accessing child care during the pandemic, the State should ensure that funding is available to provide supports and accommodations to meet the needs of children with disabilities in all child care settings.

---

<sup>1</sup> Eligibility for CCDBG child care subsidies depends solely on the child’s immigration status, not that of the parents. Accordingly, these stimulus funds can – and must – flow to all otherwise eligible children who are citizens or have LPR or refugee status, even if members of their families do not have immigrant documentation. For those children whose immigration status renders them ineligible for a CCDBG subsidy, New York State should use state funding to provide them with subsidies.

### **For Providers:**

- Pay providers subsidies based on child enrollment not attendance (reimburse for at least 12 absences per 3-month period per child); and
- Pay for COVID-related absences and closures (for providers who must temporarily close due to a COVID exposure or positive case, continue to pay the subsidy payments to the provider for the period of the closure – up to 2 weeks).

### **Provider Stabilization Grants and Other Relief**

A minimum of \$100 million from the Consolidated Appropriations Act of 2021 should be allocated proportionally to social service districts, with distribution based on existing county allocations and the number of low-income children per district; and adjusted to ensure prioritized support for communities hit hardest by the impacts of the pandemic, chief among them communities of color, low income and immigrant communities. Social Service District leads should be charged with creating a plan in partnership with the local Child Care Resource and Referral (CCR&R) agency, relevant unions, and other community stakeholders including e authentic representation from all child care provider modalities. All federal relief-funded grants must be paid up-front following application approval and be accompanied by clear, consistent, and simple application and reporting requirements, as well as appropriate, linguistically accessible, technical assistance for providers. Grants could be offered to cover costs for purposes including, but not limited to:

- Caring for children of essential workers regardless of income, and ensuring said workers can access care during non-traditional hours (e.g., evenings and weekends) as required to meet their work schedules;
- Covering costs related to reopening, operating at reduced capacity, and paying costs of overtime, hiring, training, and other costs associated with providing care safely during the ongoing public health crisis;
- Addressing child care deserts by allocating a dedicated set-aside of operating funding through an enrollment-driven, contract-based funding model to establish and maintain child care capacity, especially for infants and toddlers, in high-quality settings with a focus on addressing racial equity;
- Reimbursing providers for lost subsidy income from March 2020 to the present;
- Supporting before and after-school programs that work in collaboration with child care providers to operate throughout the day to support remote learning; and
- Supporting preschool special education classrooms operating at reduced capacity.

### **Program Administration**

To administer these funds in the most efficient and effective way, New York should rely primarily upon its existing child care subsidy system structure, and grant most of the funds to the state's 58 social service districts.

In New York City, the funds should be allocated to the multiple agencies (Administration for Children's Services, Department of Youth and Community Development, and the Department of Education) that oversee the City's child care and youth services system, proportionately and reflective of the scope of the agency. There must be a demonstrable focus on expanding reach of access to *all* providers, regardless of affiliation or connection to appointed agencies. This will ensure that the proposals are properly administered to benefit families who utilize *any* contracted,

independent, or voucher-based child care in home-based and center-based settings, as well as to support remote learning and school-age care where appropriate.

To ensure equitable and effective distribution, OCFS should provide close oversight and significant support and assistance to ensure funds are used for the purposes set forth below, and are not used to fill other local budget gaps.

**Financial Support for Administration**

The Consolidated Appropriations of Act of 2021 allows for State agencies to use a portion of the child care funds for administrative costs. For local social services districts to plan and administer these funds quickly, and for OCFS to closely support and oversee the program statewide, both will need resources to hire necessary staff and supplies. It is essential that sufficient administration funds flow immediately to counties and to OCFS to oversee the smooth release of these funds across the state.

**Regular (at Least Quarterly) Input from Stakeholders**

Require OCFS and each local agency that administers funds to gather regular input from a group of representative stakeholders including CCR&Rs, providers representing all child care modalities, union representatives, and parent representatives (including a parent who currently or previously had a child enrolled in subsidized child care) **before** and **after** programs roll out to ensure they are functioning as intended and problem-solve, if needed. This group should also be well represented culturally and geographically, as reflective of that county or region.

Respectfully,

[Empire State Campaign for Child Care](#)

Winning Beginning New York

cc:

Senator Jabari Brisport, Chair, Senate Children and Families Committee

Assemblymember Andrew Hevesi, Chair, Assembly Committee on Children and Families