Testimony before the Senate Standing Committee on Cities II on Issues Facing Small and Mid-sized Cities

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Schuyler Center thanks the chair and members of the committee for the opportunity to testify on issues facing small and mid-sized cities. The Schuyler Center is celebrating our 150th anniversary as a nonprofit organization dedicated to policy analysis and advocacy in support of public systems that meet the needs of disenfranchised populations, including people living in poverty.

Our priorities for the coming year, as in the past, focus on strengthening families before they experience crises or trauma and preventing families from enduring hardships like ill-health, poverty, or involvement with the child welfare system. Schuyler Center leads and participates in several coalitions focused on children and families, the Child Welfare Coalition; CHAMPS (Children Need Amazing Parents); the Empire State Campaign for Child Care; Winning Beginning New York; Ready for Kindergarten, Ready for College; Medicaid Matters New York; and a statewide workgroup on maternal, infant, and early childhood home visiting, which brings together State agencies, providers and advocates to strengthen coordination between and access to important dual-generation interventions.

For more about Schuyler Center and our work, please visit our website www.scaany.org.

New York has an opportunity this year to cut child poverty. Support from the federal government via the American Rescue Plan Act is arguably the most consequential investment in the nation’s children in a generation. However, the American Rescue Plan Act will last only one year and leaves out tens of thousands of immigrant children. Every day that New York fails to prioritize ending child poverty puts children experiencing poverty more at risk for immediate and long-term hardship.

For too long, New York has allowed hundreds of thousands of children to endure the hardships of poverty—in times of recession, and in times of plenty. New York entered the pandemic with more than 700,000 children living in poverty, representing 18 percent of all New York children, with that percentage a full 10 points higher for Black children, and 7 for Latino children. Compared to the rest of the nation, New York children were more likely to live in poverty than children in 32 other states. And these data do not include the hundreds of thousands of children and families pushed into and near to poverty since the pandemic struck.

A child’s ZIP code should not determine their future, but it often does. In the Regener8 cities, child poverty is severe: higher than both the state averages and the averages in the same county. In five of the eight cities, child poverty rates approach 50%. In all of the Regener8 cities, poverty among Black and Latino people is twice the rate than that of white people.
The experience of poverty and trauma in childhood can have long-lasting impacts on development. The toxic stress of poverty can alter the brain development of young children—causing permanent changes in the structure and functioning of the brain. As a result, many children who experience poverty face significant challenges—in the form of poor health, academic obstacles, and lower earnings—for the rest of their lives. With the stakes so high, there should be no delay in tackling child poverty in every inch of New York state.

Notably, the younger the child, the more likely the child is to live in poverty. Nineteen percent of New York children under the age of five live below the federal poverty level—at exactly the time in their development when they are most vulnerable to poverty’s devastating impacts. Families with young children face poverty at greater rates than other families and the birth of a child is the leading trigger of “poverty spells” experienced by families. Poverty is also the best predictor of abuse and neglect. While most families living in poverty do not maltreat their children, they have a significantly higher likelihood of experiencing crises. Poverty is the greatest threat to child well-being.

Communities—cities—cannot reduce child poverty alone. New York State as a whole, not just one agency or program, must play an important role. Solutions need to be broad, systemic, and statewide. We have the tools to reduce child poverty, but our leaders need the political will to use them. It is time to implement policies that will reduce child poverty; without intervention New York’s children will continue to experience adverse outcomes.

- **Expand the Child Tax Credit.** New York’s child tax credit currently excludes children under 4. The state must rectify this gap in support for our youngest New Yorkers, increase the maximum credit for children ages 4 to 16, and eliminate the phase-in to allow children and families with the most need to receive the credit. Senator Cooney and Assemblymember Hevesi have introduced a child tax credit bill that aims to more effectively reach more low-income families.

- **Take steps to achieve Universal Child Care.** Child care is too expensive for nearly all New York families. The average annual cost for an infant in a child care center is $13,390, with the cost much higher in many communities. Yet, to be “affordable” (7% of income or less according to federal guidance), a family would need an income of $191,280. Even these high
costs are not enough to cover the true costs of high-quality care because taking care of babies is time intensive. In fact, the child care workforce, nearly all women, 40% women of color, are paid near poverty wages, with the median wage at $13.58 an hour.

The challenges of finding and affording child care have only grown worse during the pandemic. Nationally, nearly 1.8 million women have dropped out of the labor force during the pandemic. Taking into account how the labor force was growing pre-pandemic, 23 million fewer women are working now than would have been without the disruption. Even if women’s participation resurges, economists predict these COVID “spells of non-participation” will put a downward pressure on women’s wages, widening the gender wage gap. We know that when women experience economic insecurity, so do children.

To address child poverty, and restart New York’s economy, New York should take large steps this year toward achieving universal child care by expanding access to child care subsidies for infant child care and school-age child care for lower-income New York families regardless of employment or immigration status or other factors, by raising child care workforce compensation, and by increasing provider reimbursement rates.

- **Strengthen, expand, and increase access to proven child-poverty reduction programs.** Other solutions identified by the National Academies of Sciences, Engineering, and Medicine (NASEM), in their Roadmap to Reduce Child Poverty, include: strengthening and expanding the Earned Income Tax Credit; expanding work training and employment programs; and increasing access to subsidized housing vouchers. NASEM's Roadmap also recognizes the poverty-reducing power of existing government-supported access to health and medical services and food.

- **The Governor can move New York forward by signing the Child Poverty Reduction Act,** which passed with near-unanimous and bipartisan support in both houses of the legislature. Once enacted, the Child Poverty Reduction Act will serve as a bridge from today, when lawmakers enact policy and budget decisions and we cross our fingers that they don’t plunge more children into poverty, to a day when New York is intentional about reducing child poverty and improving equity, by creating an expectation of analysis, measurement over time, and public accountability about whether and how a wide variety of policy and budget decisions affect opportunity and economic security for our most vulnerable children.

New York must implement these solutions and measure the outcomes, including impacts by race, ethnicity, and geography.

New York has an opportunity now to make bold investments in children and families to support them as they recover from the impacts of the pandemic. The American Rescue Plan Act was a promising start, but after one year New York’s children and families will still need support. New York’s child poverty rate has languished around 20% for more than a decade. It is time to act.

Thank you. We appreciate the opportunity to submit testimony and look forward to continuing to work with you to reduce child poverty in New York.

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