Statement on Governor Hochul’s 2023-24 Executive Budget Proposal:
Modest Investments in Child and Family Well-Being, Bold Action is Needed

As Schuyler Center analyzes Governor Hochul’s Executive Budget proposal, we are watching for meaningful investments that prioritize New Yorkers who are struggling to make ends meet, with a special focus on children and families. **We are both heartened by many of the investments in child well-being, and disappointed by the absence of key poverty-reducing actions.**

Governor Hochul’s New York Dream must be attainable for every New Yorker. Right now, those earning low-incomes, Black, brown and immigrant New Yorkers, and families with children, continue to be among those hardest impacted by the pandemic and its after-effects, and are struggling to meet the high costs of necessities due to rising inflation. More than ever, NYS must meaningfully invest in child and family well-being.

**Child Poverty Reduction Measures are Lacking: No Child Tax Credit Proposals**

Child poverty in New York exceeds the national rate, as it has for more than a decade and yet, the Governor’s budget proposal does not take direct aim at reducing child poverty. With the passage and implementation of the [New York State Child Poverty Reduction Act](https://www.schuylercenter.org/programs/poverty), New York has made a promise to do better – this year’s state budget must keep that promise.

Among the top poverty-fighting policy/budget actions identified by researchers and advocates alike is strengthening and expanding refundable tax credits – such as the child tax credit and earned income tax credit. We are disappointed that there are no proposals in the Executive Budget to strengthen and expand these credits, which means that New York babies and toddlers under the age of four will continue to be excluded from the State’s child tax credit, along with the lowest-income families, at a time when child poverty, racial inequity, and household costs are high.

While child tax credits are missing, the Governor does propose a significant expansion of the State’s film tax credit. Notably, New York State’s own Tax Reform and Fairness Commission’s Final Report recommended in 2013 “that the [film] credit should be scaled back because it does not appear to pay for itself.” But the data is clear that the return on investment in our kids is high.

**Early Care & Learning: Improved Access, but Workforce Funding Falls Short**

We applaud Governor Hochul for attention to early care and learning, with new investment ($125 million) in pre-K to allow an additional 17,500 young children to benefit; expanding eligibility for child care assistance to an estimated 113,000 children by increasing the income eligibility to $93,500; and proposing changes to make eligibility and assistance work better and more quickly for families.
However, if New York is to make progress toward bolstering our child care system, real, meaningful, sustained investments in the child care workforce are essential. The proposed funding in the Governor’s budget is far from what is needed to support and rebuild the child care workforce. Read our full statement on the Governor’s proposals related to Early Care and Learning.

**Child, Youth, and Family Mental Health Funding Strengthened**

The Governor also proposes much-needed investment in and attention to child, youth, and family mental health, including strengthening mental health parity; proposals related to insurance coverage and rates for school-based mental health services; funding for school-based mental health clinics; new funding ($12 million) for family-focused developmental health care through HealthySteps; and support for the Mental Health Association in New York State’s (MHANYS) School Mental Health Resources and Training Center.

**Minimum Wage: More is Needed**

The Governor’s budget proposes indexing the minimum wage to inflation, though does not propose increasing the base wage, caps increases, and includes a number of triggers that would suspend indexing, like an increase in unemployment of .5%. These limitations are concerning.

The Executive Budget would also relax some public assistance rules to keep people from being abruptly cut off in certain circumstances, a move Schuyler Center supports.

**Child Welfare: Modest Investments, Inadequate COLA Adjustment for Workforce**

The NYS child welfare system must be transformed to better serve families and children by investing in family strengthening, prevention of system-involvement, reducing institutional placements, and transparency and accountability of the system.

The Executive Budget makes some encouraging but modest investments in child welfare, including nearly $8.5 million for a 2.5% cost-of-living adjustment for workers across foster care, adoption, and supportive housing programs. However, this is significantly less than the 8.5% COLA the community is calling for to keep up with inflation and retain this essential workforce.

Funding for child welfare programs has stayed stagnant for decades, including the New York State Kinship Navigator and kinship guardianship services programs, which the Governor proposes funding at a total of $559,250, far less than is needed to have effective statewide supportive services for families.

Healthy children and supported families are the foundation of a thriving society—these are the investments that pay off for everyone, now and for generations to come. We will be studying the details of the proposed budget in the coming days and will be working together with the Governor and the Legislature to ensure that 2023 is the year NYS meaningfully invests in child and family well-being. Our future depends on it.

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About Schuyler Center for Analysis and Advocacy

Schuyler Center for Analysis and Advocacy (SCAA) is a leading statewide, nonpartisan, policy analysis and advocacy organization based in Albany, NY. SCAA works to shape policies to improve health, welfare, and human services for all New Yorkers, especially children and families impacted by poverty and inequitable systems. Learn more at www.scaany.org