



New York's State Budget Must Prioritize Affordability for Families

Schuyler Center Statement in Response to One-House Budget Bills

As New York families struggle to afford the cost of living, our state leaders have an opportunity to leverage this year's budget to bolster family economic security statewide.

Schuyler Center is encouraged to see many proposals in the Senate and Assembly budget bills that will support children and families, especially those struggling to make ends meet. We appreciate both houses' willingness to listen to the solutions necessary to make New York a place where families can afford to put down roots.

The inclusion of investments that will have the biggest impact on those with the lowest incomes must be a priority as the final budget is negotiated. These proposals include **robust tax credits, continuous Medicaid coverage for the youngest children, and making child care assistance more accessible** to the many parents who work variable hours in retail, the trades, and the gig economy. By uplifting New Yorkers most in need, our leaders can create more opportunities for all children and families to thrive right here in New York.

Among the proposals with the highest potential to cut child poverty and make New York more affordable for families is the Senate's proposal to create and begin to implement a new refundable tax credit, the [Working Families Tax Credit](#).

Unfortunately, while all three budget proposals commit to maintaining New York's historic levels of investment in child care assistance, none include a permanent, sustained investment in the child care workforce. **This failure threatens to derail all the state's progress toward stabilizing the sector and making care available for more children and families.**

Budget Investments that Prioritize Child Poverty Reduction

In 2021, the New York State Legislature passed, and Governor Hochul signed, **the Child Poverty Reduction Act (CPRA)**, committing the State to take action to reduce child poverty by 50 percent. Schuyler Center spearheaded passage of this law and continues to hold New York State accountable for upholding that commitment.

Through the CPRA, New York's leaders have committed to prioritizing budget investments that will do the most for those with the fewest resources. Accomplishing New York's child poverty reduction goal requires focused budget and policy actions to meaningfully reduce poverty statewide. We are encouraged by several items across the three budget proposals, including:

- **Robust and inclusive child tax credits** - Both the Senate and Assembly budget bills include proposals that would strengthen the state's refundable tax credits. To combat child poverty and make New York State more affordable for all families, **it is critical that the Enacted Budget include a sustained, robust, refundable family-focused tax credit that targets the highest credit to the lowest income-earners** (without an income phase-in), and is available to those who file taxes, but do not have a social security number. **The Senate's proposal to create a new Working Families Tax Credit – which combines the**

existing child tax credit and Earned Income Tax Credit (EITC) – would immediately drive a significantly larger credit to the lowest income New Yorkers, and longer term provide all eligible New Yorkers a greater credit, making New York State a more affordable place to raise a family.

- **Funding for the Housing Access Voucher Program (HAVP)**, as advanced in both Senate and Assembly proposals, would create a state-funded voucher. **A commitment of \$250 million toward HAVP would have a transformative impact by helping families exit or prevent homelessness**
- As is proposed in both Houses' budget bills, the Enacted Budget must include **the establishment and funding of a permanent, statewide Healthy School Meals for All program**. This would provide school breakfast and lunch at no cost to all students in schools participating in the National School Lunch Program – a strategy proven to reduce food insecurity among children and lift families out of poverty.

Investments in Health Equity for the Youngest New Yorkers

Schuyler Center is pleased to see the inclusion of continuous Medicaid and Child Health Plus coverage for children 0-6 included in all three budget proposals. Forty-five percent of New York children are covered by Medicaid and Child Health Plus. Eliminating the requirement for the youngest New Yorkers to re-enroll every year would ensure that those children have continuous access to health services in the most critical years of their development. We applaud the Executive, Senate, and Assembly for recognizing the importance of this initiative.

Helping Families by Solving the Child Care Crisis

Supporting New York's families requires addressing the crisis of child care access, affordability, and availability. The state must make a substantial and sustained investment in New York's child care workforce and extend the promise of care to all children in our state.

As a member of the [Empire State Campaign for Child Care](#), we appreciate the Senate and Assembly including \$220 million in additional funds for child care workforce retention grants, bringing the total investment in the workforce to \$500 million. While this falls short of the \$1.2 billion that is needed, it is a critical investment in the 'workforce behind the workforce.' What is needed in the final budget, however, is a commitment to providing workforce supplements on a permanent basis – as recommended in the Senate resolution.

Transforming Child Welfare

The final state budget must transform the child welfare system by investing in policies that foster transparency and accountability, prevent system-involvement and unnecessary, harmful family separations, reduce institutional placements, and support child, family, and community wellbeing. While there was some action toward these goals, several needed investments were left out of all three budget proposals.

[Together with a statewide group of advocates, providers, and New Yorkers impacted by the child welfare system](#), we were pleased to see **state funding for child welfare Preventive Services restored to 65%** in both the Senate and Assembly proposals and urge its inclusion in the final budget. This funding stream enables counties to support families to stay together and youth who age out of the system to live independently.

Additional investments needed to support youth and families involved in the child welfare system:

- Add a cost-of-living adjustment to the **child welfare housing subsidy** and allow young people up to age 24 to access it.
- Fully fund the **Foster Youth College Success Initiative (FYSCI)** at \$10 million - The Senate proposes \$8.2 million for FYSCI and the Assembly proposes \$8.6 for FYSCI. By increasing funding to \$10 million, more foster youth can achieve education success and support.
- Fund a **flexible 3.2% cost-of-living-adjustment (COLA) for human services**, instead of targeting the COLA to non-executive positions, and provide \$195 million in funding to restructure and raise rates for mental health services.
- Invest \$80 million to raise salaries and reduce caseloads for lawyers providing **legal representation to children and families in Family Court**. While the Senate proposes \$20 million in funding for increased salaries, it is not enough; we urge our New York leaders to invest \$80 million.