



NEW YORK STATE SENATOR

Andrew Gounardes

Sen. Gounardes Proposes First-in-the-Nation “New York Healthy Birth Grant” to Slash Childhood Poverty

ANDREW GOUNARDES | October 24, 2024

| ISSUE: **POVERTY, CHILD POVERTY, HEALTH CARE**



Statewide program would give families a one-time grant of \$1,800 for every birth financed by Medicaid

Read the full bill text [here](#).

Read the sponsor memo [here](#).

Brooklyn, NY – New York State Senator Andrew Gounardes introduced the new legislation today to create a first-of-its-kind birth grant program that would drastically cut child

poverty across New York State.

The New York Healthy Birth Grant ([S.9940](#)) would use flexible Medicaid dollars to create a statewide program that gives working families a one-time grant of \$1,800 for every birth financed by Medicaid.

In the U.S., the birth of a child [increases](#) the likelihood of family poverty by 33%; spikes in poverty following childbirth are particularly pronounced for Black and Latina mothers. Researchers [estimate](#) that a one-time \$1,800 birth grant could slash the poverty rate from nearly 26% to under 10% for new mothers receiving Medicaid. And children who receive birth grants [end up](#) with better academic performance, higher chances of graduating high school, and increased earnings into adulthood.

The program is intended to tackle one of the most important [social determinants of health](#): childhood poverty. While the New York Healthy Birth Grant would be the first statewide grant of its kind in the U.S., the state would be following the lead of most other industrialized democracies, which [already offer birth grants](#) to ward off falls into poverty that a newborn often induces for families.

“Working families are the backbone of New York, but raising a family in this state shouldn’t mean living in backbreaking poverty,” said **State Senator Andrew Gounardes**. “No parents should have to worry about whether they can afford to feed and house their newborn child. By leveraging Medicaid to enact an innovative healthy birth grant program, we can improve public health and slash child poverty in a win-win for all New Yorkers. It’s one of the smartest investments we can make in our children’s future.”

New York has one of the [highest child poverty rates](#) in the nation, and is [legally obligated to cut that rate by 50%](#) in the next decade. The New York Healthy Birth Grant is one of the

most cost-effective ways to achieve that goal, while also encouraging families to [remain in the state](#).

There were [just over 98,000](#) births financed by Medicaid in New York in 2022, about 47% of all births statewide. These are the working families that make up the backbone of New York's economy. An \$1,800 credit for each of those children would cost roughly \$177 million per year, a cost that would be evenly split between New York State and the federal government via a [Section 1115 waiver](#) that allows states to use Medicaid dollars to address drivers of poor health outcomes like childhood poverty.

That means New York could drastically cut childhood poverty at a cost to the state of under \$100 million—a small fraction of the \$239 billion state budget.

The New York Healthy Birth Grant builds upon other antipoverty proposals from Senator Gounardes, including [the Working Families Tax Credit](#), which would streamline and expanding existing tax credits by raising the maximum credit to \$1,600 per child, providing a \$100 minimum credit per child, eliminating the cap on the number of eligible kids and pinning the credit to inflation.

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RELATED LEGISLATION

2023-S9940

- Introduced
- - In Committee Assembly
 - In Committee Senate
- - On Floor Calendar Assembly
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- - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
-

Relates to the establishment of a healthy birth grant demonstration program; excludes healthy birth grants from income for certain purposes

October 25, 2024

In Senate Committee [Rules](#)

Sponsored by [Andrew Gounardes](#)

Do you support this bill?
