



Early Care & Learning Council

United to Promote Quality

Joint Legislative Public Hearing: FY 2021 Executive Budget Proposal Human Services

Submitted by
Jessica Klos Shapiro
Director of Policy and Community Education
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Thank you for the opportunity to provide testimony and input on the proposed budget for New York State. My name is Jessica Klos Shapiro and I am the Director of Policy and Community Education at the Early Care & Learning Council. The Early Care & Learning Council (ECLC) and our network of 35 Child Care Resource and Referral (CCR&R) agencies provide direct assistance and support to parents, child care providers, and employers in all 62 counties. Each year, CCR&Rs work with tens of thousands of licensed, registered and legally-exempt child care programs. They are the “glue” that holds the child care industry together through their support of child care providers, parents, businesses and local governments.

The COVID-19 pandemic has brought child care into the public conversation. It has reaffirmed what we have always known: child care is an infrastructure support for children, for families and for communities, and its availability is essential to a healthy economy.

For thousands of parents, child care providers and employers throughout New York State, CCR&Rs are the pathway through the complex child care system. Prior to and throughout the pandemic, CCR&R served families in need of early childhood services and supported the child care provider community. Through our partnership with the Office of Children and Family Services (OCFS), ECLC and our CCR&Rs worked to provide essential worker scholarships to parents, get critical PPE and cleaning supplies in the hands of providers, and to get Reopening/Restructuring and Temporary Operating Grants out to the provider community.

Through this work, we learned that the thorough application and compliance process was arduous for the average child care provider to complete. Many providers are both the owner and operator of their child care program, comprising a sector of women and minority owned small businesses. They prioritize their roles as educators and caretakers first, with business administration taking a back seat. Child care programs remain a pillar of strength and consistency for many children and families, yet they lack the support to keep their own businesses strong. Many have been existing on lines of credit, help from family and running a deficit, with those that have exhausted all resources being forced to shut their doors.

To help remediate this, ECLC, together with the CCR&R network, is proposing a Technical Assistance and Business Support program. (TABS) The focus would be primarily on Family Child Care and Group Family Child Care, which lack the support of a business office that is much more common in Center-based Child Care. Each CCR&R would have a staff person whose sole job is to provide ongoing support to child care programs in their community focused on the business side of running a program, including budgeting, assistance programs and the utilization of accounting software and systems. They would be a resource that provides continued support beyond one-

time trainings on business basics. Together they would help providers ensure that their business models are financially sound. They would be a trusted ally and navigator for programs.

The projected cost of this initiative, across ECLC and the 35 CCR&Rs, is \$4 million per year. The level of expertise CCR&Rs provide is invaluable, yet it has been underfunded for the last decade. CCR&R contracts with the Office of Children and Family Services have remained flat for over a decade and in fact were cut in 2012. The administration of CARES initiatives once again highlighted the critical role that CCR&Rs play within the sector, but without financial support, CCR&Rs cannot undertake this initiative, which has been proven to be most critical at this time.

CCR&R staff, guided by ECLC, will enhance existing curriculum to train these small businesses on operations, fiscal management, and ongoing technical assistance to ensure that quality, financially sound childcare businesses operate in all areas of NYS. 64% of NYS is a childcare desert, resulting in an exceptionally difficult time for parents to locate care for their children and for businesses to have a consistent workforce. Focusing on programs that are either currently operating or looking to begin operations through ongoing, long-term technical assistance, ensuring that providers connect with support in their communities. Partnerships with employers, chamber of commerce, and local foundations are an example of tactics that can be used to ensure they remain open. Many childcare providers close within the first year of operations. Our goal is to increase the supply of care with the assistance of business supports specialists in all 62 counties.

The Early Care & Learning Council is leader within *Winning Beginning NY*, the State's early care and development coalition, as well as the Empire State Campaign for Child Care. We stand with these groups in asking for additional funding for childcare subsidies in order for low-income families to have equitable access to high quality childcare. I am also proud to serve on the Governor's Child Care Availability Task Force, which is poised to recommend a bold, comprehensive plan to create a high-quality childcare system that will be accessible to all.

Any such model would cost several billion dollars per year when fully implemented. As a down payment, The Empire State Campaign for Child Care and Winning Beginning NY call upon Governor Cuomo and the Legislature to include the following investments in New York's 2021-2022 budget to provide New York's child care sector the funds necessary to stabilize and begin to rebuild the sector and to lay the foundations for a universal system that serves all New York families that need care, one animated by the emerging recognition that child care is a public good, and is an integral part of a birth to 12 education system. New York State must make the following investments in child care this year:

1. Raise new state revenue if necessary, to make these necessary investments to stabilize the child care industry, and expand access to more families. These are unprecedented times; it is just and appropriate to ask those New Yorkers who have prospered since the pandemic struck to contribute more to the state's recovery;

2. Make no cuts to 2020 funding for child care in 2021;

3. Provide counties with \$370 million to make the child care subsidy system more equitable by eliminating unfair eligibility variations across counties and communities, and prioritizing families with the greatest need by: } Making child care subsidies available consistently statewide to all income-eligible families who are unemployed and seeking work, retraining, or pursuing higher education; families involved in domestic violence; families receiving preventive child welfare services; foster families; families experiencing homelessness; and children with special needs; } Incrementally expand subsidy eligibility to at least 85% of the state median income (beginning with regions with a high cost of living and/or those hit hard by the impacts of the pandemic); } Reduce parent co-pays to no more than 10% of income over the federal poverty level in counties that are currently above that level as a step toward ensuring that one day, no New York family pays more than 7% of income for child care; and } Pay subsidy to providers for at least 12 absences/quarter per child, plus federal holidays, building toward a system in which subsidy is not paid based on a child's daily attendance, but based on enrollment;
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4. Commit to eliminating expulsions and suspensions in child care and pre-K, which disproportionately impact children of color, by setting a statewide prohibition on suspensions and expulsions (in most cases) while investing at least \$15 million to infant-toddler resource centers to provide child care and pre-K programs the supports they need to meet the developmental, mental health, social-emotional needs of all the children in their care; and

5. Invest \$100 million to create a fund to increase workforce compensation to a fair wage and improve child care quality. Priority should be given to programs that serve low-income families and care for infants and toddlers.

By investing \$485 million in child care in 2021-22, New York State can extend child care subsidies to 30,000 additional children each month, lower the cost of care among families receiving support, and boost child care worker wages to a level more commensurate with their importance to New York's children, families, and communities

The state must increase investment now to restore short-term stability to both the child care provider and subsidy systems, and to expand access to subsidies for low-income working families whose ability to participate in the work force depends on securing quality care for their children.

ECLC also supports the continuum of care and asks that you consider the requests of the Network for Youth Success and our coalition surrounding afterschool programs.

Thank you for the opportunity to provide our comments to you. The Early Care & Learning Council and our CCR&R network look forward to continuing to effectively serve the families and communities of New York State.