

## Testimony of

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Child Care Assistance for Low-Income Families

Good morning. My name is Alexis Henry and I am the Policy Associate for Early Childhood Education, Education, and Youth Services at Citizens' Committee for Children (CCC). CCC is a 72- year-old independent, multi-issue child advocacy organization dedicated to ensuring every New York child is healthy, housed, educated and safe.

I would like to thank Assemblywoman Donna Lupardo and members of the Assembly Committee on Children and Families for holding this hearing to examine the impact of child care subsidies provided for in the SFY 2015-16 budget and the effect of the upcoming reauthorization of the federal Child Care and Development Block Grant on access to quality child care. We greatly appreciate the Assembly's ongoing efforts to ensure as many children as possible have access to high-quality, affordable child care.

The reauthorization of the federal Child Care and Development Block Grant (CCDBG) brings both opportunities and challenges to New York. On one hand, the additional health and safety enhancements should provide higher quality and safer child care. On the other hand, both the implementation itself and the cost of implementation pose significant challenges.

The State has estimated a cost of at least \$90 million to comply with the new requirements. New background clearances for regulated and legally exempt providers are estimated to cost \$24-\$28 million, due to a cost of \$101.45 per person. With a goal of keeping children safe, the CCDBG now requires regulated and legally-exempt providers to be checked in a number of additional databases including FBI fingerprinting, the National Sex Offender Registry and the National Crime Center. In addition, checks must be done in state criminal and sex offender registries and the child abuse and neglect registry in each state the applicant has resided in for the past five years. The State has estimated that it will cost \$34 million to comply with the requirement for annual inspections of all facilities, including those of legally-exempt providers. The State has also estimated that it will cost \$28 million for new training and professional development requirements including CPR. In addition, there are likely additional costs that the State is still in the process of estimating, including the new 12-month eligibility requirement.

CCC believes that many of these new CCDBG requirements are long overdue ways to better ensure the safety of the young children in child care settings. That said, it is imperative that New York State cover the cost of these enhancements without cutting child care subsidies, charging parents a higher co-pay, and/or charging providers for background checks.

The loss of \$90 million for child care subsidies could result in the loss of child care for approximately 21,000 children. At the same time, not only are the children and the families low-income and unable to pay higher fees, but the providers are also low-income, struggling New Yorkers. As discussed in this recent piece in "The Nation," many

child care providers earn so little that they are on public benefits, which is even more profound for the legally exempt providers (family, friend and neighbor care).

It is also imperative that the State does not address these new requirements by cutting the amount of funding available for child care subsidies. Despite the \$5 million increase to the State Child Care Block Grant in the SFY 2015-2016 budget, only 22% of incomeeligible children (under 200% of the FPL) were able to receive child care this past year. In New York City, only 25.7% of income eligible children under age five are served by the ACS early childhood system.<sup>2</sup> The situation is even more dismal for infants and toddlers, as the system only has the capacity to serve 14% of income eligible children under age three.<sup>3</sup>

There are thousands of income eligible children unable to access child care in New York. Not only should the State close the \$90 million hole, but the State should begin to address this gap by adding \$100 million for additional child care subsidies.

According to the 2014 Census, New York State had some of the highest levels of child poverty in the country. There are 1.2 million children under the age of five in New York State.<sup>4</sup> Over 270,000 of these children (278,542), or 23.8%, were living in poverty.<sup>5</sup> In the 2014 census data, Buffalo ranked third highest among cities with populations greater than 245,000 in percentage of children living in poverty, with 47.3% of Buffalo children living in poverty. The poverty rate in Syracuse for 2014 was 34.4 percent, making it the 16th poorest city among 585 cities in the U.S. with populations greater than 65,000. Rochester was not far behind, with a poverty rate of 33.8%. Notably, over half of the children in Syracuse and Rochester were living in poverty in 2014, with rates of child poverty at 50.2% and 56% respectively.<sup>7</sup>

For those families lucky enough to get a child care voucher or subsidized slot in a center or family child care program, the Assembly can be certain that these programs made a difference in the lives of the children and their parents. Access to quality child care is

http://www.thenation.com/article/day-care-costs-can-drive-a-family-into-poverty-before-a-child-reacheskindergarten/

<sup>&</sup>lt;sup>1</sup> Chen, Michelle. Day Care Costs Can Drive a Family Into Poverty Before a Child Reaches Kindergarten: But They Will Probably Impoverish Their Teacher First. December 7, 2015.

<sup>&</sup>lt;sup>2</sup> Campaign for Children. (2015, September). NYC's Early Childhood Education System Meets Only a Fraction of the Need. http://www.campaignforchildrennyc.com/wp-content/uploads/2015/09/Child-Care-Need-2015 final.pdf

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> United States Census Bureau, American Fact Finder, September 2015. http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\_14\_5YR\_DP05&sr

<sup>&</sup>lt;sup>5</sup> United States Census Bureau, American Fact Finder, September 2015. http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS 14 1YR B17001& prodType=table

<sup>&</sup>lt;sup>6</sup> United States Census Bureau, 2014 American Community Survey, September 2015. https://www.census.gov/programs-surveys/acs/news/data-releases/2014/release.html

<sup>&</sup>lt;sup>7</sup> American Community Survey, American Fact Finder, September 2015, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\_14\_1YR\_S1701&pr odType =table 2

important to a child's safety, growth, and social academic development, and that this is particularly true for low-income children.<sup>8</sup>

Child care is also critical to enable low-income working parents to participate in the workforce and obtain economic security for their families. A 2013 survey of over 5700 working parents of NYC children in child care and after-school programs found that 95% of surveyed parents said they relied on child care and/or after-school programs to be able to work. In a 2012 survey of NYC parents at risk of losing their child care and/or after-school, 50% of the surveyed parents reported that they would have to quit their job if they lost child care. 10

It is important to note that the implementation of the new CCDBG requirements and any budget impact the State seeks to employ will be on top of an already fragile early childhood education system. For example, in New York City, the EarlyLearn contract system has left programs under-funded and child care staff struggling due to low wages (including no salary adjustment in a decade) and a cut-back in benefits.

Finally, it is critical that the new CCDBG requirements be implemented well, in a culturally competent way. Of the 47,000 informal providers (legally exempt) who receive subsidies, only 20% are currently inspected every year. It is critical that these providers, who may not speak English nor ever had a government official inspecting their home, understand the new rules and the reason for the heightened level of inspections.

In conclusion, the implementation of the new CCDBG requirements provides New Yorkers with the opportunity for safer and higher quality child care. It is, however, critical that the increased costs not be borne by the child care system and that the State fill the \$90 million hole without cuts to child care. We greatly appreciate the Assembly's support in this area as we head into the State's Fiscal Year 2016-2017 budget process.

Thank you for the opportunity to testify.

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<sup>&</sup>lt;sup>8</sup> Barnett, W. S. (2008). Preschool education and its lasting effects: Research and policy implications. Boulder and Tempe: Education and the Public Interest Center & Education Policy Research Unit. http://epicpolicy.org/publication/preschooleducation

<sup>&</sup>lt;sup>9</sup> Campaign for Children. (2013). Cuts to Child Care and After-School Will Force Parents Out of the Workforce. http://www.campaignforchildrennyc.com/wp-content/uploads/2012/03/Campaign-For-Children\_Jobs-Report-Final-Designed.pdf

<sup>&</sup>lt;sup>10</sup> Campaign for Children. (2012, May 24<sup>th</sup>). What Will You Do if the City Closes Your Child's Child Care or After-School Program? http://www.campaignforchildrennyc.com/wp-content/uploads/2012/03/NYC-Parent-Voices.pdf

<sup>&</sup>lt;sup>11</sup> Empire Justice Center. (2015, October 19). Empire Justice Testimony on the Federal Reauthorization of the Child Care and Development Block Grant. http://www.empirejustice.org/policy-advocacy/testimony/ccdbg-rountable-comments.html#a1