



**Testimony of Day Care Council of New York
At the New York State FY 2022-2023
Joint Legislative Budget Hearing on Human Services
Honorable Liz Krueger, Chair, Senate Committee on Finance
Honorable Helene Weinstein, Chair, Assembly Committee on Ways & Means
Honorable Jabari Brisport, Chair, Senate Committee on Children and Families
Honorable Roxanne J. Persaud, Chair, Senate Committee on Social Services
Honorable Linda Rosenthal, Chair, Assembly Committee on Social Services**

Presented by Gregory Brender, Director of Public Policy

February 2nd, 2022

Thank you to the Chairs and members of the Committees on Finance, Ways & Means, Children & Families and Social Services for the opportunity to testify. My name is Gregory Brender and I am here on behalf of Day Care Council of New York, the membership organization of New York City's early childhood education provider organizations.

As providers of early childhood education, Day Care Council members engage families at the crucial earliest stages of their children's development. The first years of a child's life are the only opportunity to provide them with the social-emotional development and early skills development that supports them throughout their education and throughout their lives. As such, Day Care Council and its network of community based early childhood educators have long recognized that access to strong and stable early childhood education programs has profound effects on students' learning and academic achievements.

High-quality child care is also indisputably essential for New York's economy. As Governor Hochul has stated "Child care is the backbone of our economy, and this transformative investment is critical to building our economic recovery"¹. Child Care makes it possible for working parents to return to work, keeping businesses open and fueling the economy's growth and the State's recovery.

¹ <https://www.governor.ny.gov/news/governor-hochul-announces-success-child-care-stabilization-grant-initiative>

New York leaders can – and must – include transformational proposals and funding in this year’s enacted budget that put New York on a short path to universal child care. Now is the time for New York to commit to creating a high-quality, culturally responsive, universal child care system **within 4 years**. This year, New York must take large steps toward achieving universal child care by expanding access to child care subsidies for child care and school-age child care for lower-income New York families regardless of employment or immigration status or any other factor, by raising child care workforce compensation, and increasing provider reimbursement rates. Expansion should be funded from remaining CRSSA/ARPA child care COVID relief funds, unrestricted ARPA funds, existing CCDBG funds, Build Back Better (projected), state tax revenues, possible employer-side payroll tax.

There are three main components of the Empire State Campaign for Child Care’s framework for universal child care: all must be implemented simultaneously to guard against destabilizing the child care sector or inadvertently harming New York families as we transition to a universal framework.

1. New York provides universal, guaranteed access to child care of the family’s choice (family-based/center-based/informal child care) – for all children regardless of parental work status or income or immigration status in year one.

- Guaranteed access to subsidies
- No activity requirements
- No immigration status requirement
- Parent choice of modality – family-based child care/center-based/legally exempt
- High-quality/culturally-responsive care
- Meets the needs of all children, including children with disabilities, those experiencing trauma, multi-lingual learners, families experiencing homelessness or in transitional housing
- Available during non-traditional hours
- Ultimately free for all families with no means testing, but during the phase-in period, there will be a family contribution for those with income higher than 75% SMI on a sliding scale

2. New York immediately raises workforce wages by extending stabilization grants and creating an early childhood workforce compensation fund until payment rates are increased.

- A workforce stabilization fund would directly raise wages among participating programs during the period New York is transitioning to a true cost of care reimbursement rate structure. This fund can be phased out after New York establishes and implements a new rate structure.

To meet the immediate, urgent staffing needs, NY must help existing providers of all modalities by using leftover stabilization and other COVID-relief funds to continue the successful stabilization grant program during this period of transition.

3. New York transitions to a payment rate model that is based on a “cost estimation model” that accounts for geography, quality, and assumes all child care staff are paid at parity with elementary school teachers.

- During this state fiscal year – New York should establish a transitional reimbursement rate structure based on the results of the forthcoming market rate survey or the existing survey, whichever results in higher rates. Reimbursement rates should be set at the 90th percentile of market rates in each region to ensure that per child amounts are sufficient to not disrupt the child care sector during this transition from a market rate-based model to a model based on the true cost of quality care. During the phase-in period, entry level staff will be paid at least a living wage, with more experienced staff compensated at a proportionately higher rate, with compensation progressively increasing over the course of the transition period.

Day Care Council of New York and our partners in the Empire State Campaign for Child Care strongly support the Universal Child Care Act (Brisport/Hevesi S7595/A8623), which is built around the core principles for universal adopted by the ESCCC: no means testing; truly universal access, including for immigrant families, children with disabilities, children from underserved communities, without barriers like work and other activity requirements; care for children throughout the continuum – birth through 13; strong workforce supports.

We are thrilled so many of New York’s legislative leaders are advancing and supporting visionary proposals to dramatically expand access to child care in New York. We believe that the Universal Child Care Act could be further enhanced from components of the Early Learning Child Care Act (Ramos/Clark) such as including mandates that set minimum salaries for early childhood educators; and a strong role for CCR&Rs and other non-profits to bring together providers. This year’s enacted budget must include \$5 billion investment in childcare to put New York on a short path to universal child care.

Thank you for the opportunity to testify. I can be reached for any questions at gbrender@dccnyinc.org.