

# CSEA/VOICE Child Care Proposals 2021-2022 State Budget

The Civil Service Employees Association represents 10,000 home-based childcare providers throughout New York State. These providers offer traditional care, however, many also offer care to parents receiving childcare subsidies and parents who require non-traditional care, such as care overnight or on the weekends. Our providers allow working New Yorkers to go to work every day or night.

However, our providers are struggling. Even before the pandemic, providers were facing inadequate reimbursement rates, inconsistent rules for each county, and increasing costs for providing care. The pandemic has made it more difficult for providers to continue to operate – during this pandemic we have seen thousands of childcare programs close their doors, with many likely to never reopen.

However, we know that we cannot have a fair and balanced economic recovery without making investments in the childcare workforce. The time is now to begin making these investments so that when New York returns to work, they will have licensed, safe, and quality programs to bring their children to.

#### **Child Absences**

The current patchwork of county childcare plans has resulted in an inconsistent system in which some counties pay a provider when a child is absent and for federal holidays, while others do not pay for any absences or holidays. When a child is absent, a provider may not be paid by the county for that day, unlike private pay parents. However, on such short notice, a provider cannot suddenly fill that slot for one day. This results in an immediate loss of income and further undermines their ability to maintain their childcare business.

CSEA supports a unified statewide policy that requires county plans to pay for 12 absences per child per quarter and 6 federal holidays.







#### **Direct Deposit**

CSEA/VOICE supports legislation to require counties to offer to pay providers of subsidized childcare by direct deposit. Currently, providers are issued paper checks that can be delayed or lost. In addition, many providers live in bank deserts and may rely on check cashers in order to cash their check. This leads to high fees and loss of disposable income. This proposal will require counties to offer it as an option to providers, but not a requirement. This will save counties resources and help providers be paid on a more consistent basis.

CSEA supports passage of legislation to require all counties to offer a direct deposit option for childcare providers.

### Co-Pay Cap

CSEA/VOICE is appreciative of Governor Cuomo's proposal to cap parental co-pays statewide at 20% of their income above the poverty level. However, in order to truly make childcare affordable for working families we must lower the co-pays further.

CSEA is supportive of efforts to build upon this proposal by lowering the statewide co-pay maximum to 7% of income over a 5-year phase in period.

## <u>Increase Differential Payment Rate for Homeless and Non-Traditional Hours Care</u>

New York is currently lacking enough providers who offer services to children for homeless families and children that require non-traditional care, such as overnight and weekend. Current law only requires counties to pay 5% additional per child that falls into one of these categories. Unfortunately, that is not enough to incentivize provides to offer care in these categories. As New York begins to rebuild from COVID-19, we will need providers that are able to offer care to parents who work overnight and weekend hours and to families currently displaced from their home.

To encourage an expansion of these services, CSEA supports an increase in the state mandated requirement for this this add-on from 5% to 15%.

