Still Mending the Patchwork:

A Report Examining County-by-County Inequities in Child Care Subsidy Administration in New York State

Although New York's child care subsidy program is primarily federally funded, its benefits are distributed to parents across the state inequitably due to state regulations that permit each of the 58 social services districts to select from a myriad of options in the administration of child care subsidies. This includes the amount of subsidy that will be provided to families. The resulting variations between districts harm both low income families who rely on these benefits and child care providers - the small businesses dedicated to caring for children - by creating more instability in an already underfunded and unstable system.

Our fourth and most extensive "Patchwork of Policies" report details sixteen distinct program administration options and compares how each of the social services districts has chosen to implement them. The report seeks to highlight how these variations further disadvantage vulnerable low income families and child care providers, and offers detailed regulatory recommendations and statutory changes that will help resolve these inequalities.

Key Issues

- Due to insufficient and lost funding, many districts have **stopped enrolling new families** for child care subsidies altogether, even at lower eligibility levels. **More than one-third** of New York's Social Services Districts **have lowered eligibility levels** to below 200% of the federal poverty level ($39,580 for a family of three).

- Although New York State Law requires that child care assistance be based upon the family's ability to pay, the current OCFS regulation allows districts to choose a copayment multiplier between 10 and 35 percent. This results in an inequitable system where the **amount paid by a low income family in one county is more than double what they would pay for the same care in a neighboring county.**

- **Families who are expected to pay a higher family** share or even lose their copayment because of a district's limited funding are **only entitled to 10 days' notice** from the date that the notice is mailed. This short time period does not allow parents sufficient time to find replacement quality care that they can afford, forcing parents to make incredibly difficult choices concerning their children's safety and their own employment.

Legislative and Regulatory Changes Can Address These Problems

- **Invest in child care:** In order to create a system of child care that equitably serves all families and their providers, New York State must develop a long range plan to provide high quality child care for all the children in New York State regardless of income as recommended by the 2014 Believe in Children Campaign, which recommended a 5 year goal of $2.2 billion annually.

- **Establish a fair and consistent copayment system that is based on the family's ability to pay**: Enact A.1987 (Titus) to a amend Social Services Law § 410-x to limit child care copayments to no more than 10% of a family's income in excess of the poverty level for their household size.

- **Provide families with fair and reasonable notice when their copayment is being reduced or discontinued:** If A.8918 (Peoples-Stokes)/S.6806 (Grisanti) were signed into law, the new law would require districts to notify OCFS 60 days before they lower eligibility levels and would also require OCFS to transmit information about changes in eligibility to providers, child care resource and referral organizations and unions in affected communities.

For more information contact: Susan Antos or Kristin Brown Lilley at (518) 462-6831.
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