STATE OF NEW YORK

2132

2025-2026 Regular Sessions

IN SENATE

January 15, 2025

Introduced by Sens. RAMOS, BROUK, BAILEY, CLEARE, COMRIE, COONEY, FERNANDEZ, GONZALEZ, GOUNARDES, HOYLMAN-SIGAL, JACKSON, MAY, RIVERA, SALAZAR, SCARCELLA-SPANTON, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Children and Families

AN ACT to amend the social services law, in relation to establishing the baby bucks allowance

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. This act shall be known and may be cited as the "baby bucks allowance".

§ 2. Legislative findings and intent. The legislature hereby finds and declares that child poverty in New York city and cities across New York state is shamefully high and will likely worsen if current economic trends continue. Half of the top six cities in the United States with the highest child poverty rates are in New York state, disproportionately affecting communities and children of color. In New York city, nearly 1 in 4 children live in poverty. In Rochester and Buffalo, that number is even higher: 1 in 2 children live in poverty.

The legislature hereby finds and declares that New Yorkers are unable to cover their basic necessities and support their families, particularly in the face of rising interest rates and inflation. Most notably, the cost of childcare, which already consumes a massive portion of family income, rose 41% during the pandemic, and the total cost of raising a child through high school has risen to more than $300,000, which is a $26,000 increase from five years ago and is likely to present a heavier burden for low-income parents and families for whom expenses such as food, housing, and gas comprise an even larger portion of their income.

The legislature hereby finds and declares there is overwhelming evidence that the prenatal-to-three and early childhood development period are critical for a child's future prospects and affects their

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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physical, mental, emotional and social outcomes over a lifetime. A program targeting infants in this formative phase would help break the intergenerational cycle of poverty rather than attempting to mitigate it later on, creating a positive impact on children's lives and saving government funds down the road.

The legislature hereby finds and declares it is proven that unrestricted cash is a direct and effective solution to alleviating poverty and meeting needs for families. This was shown on a national level with the overwhelming success of the expanded Child Tax Credit, which lifted millions of children out of poverty with its monthly payments and led to a 41% spike in child poverty the first month it expired. The unrestricted cash intervention further proved how an investment in the earliest days of life can have multiplying effects: studies have found that a permanent expansion of the expanded Child Tax Credit would have generated 10 times as much revenue as it cost. New York state has recently made a commitment through the Child Poverty Reduction Act in December 2021 to reduce child poverty by 50% over the course of ten years, with the support of the Child Poverty Reduction Advisory Council, and there is an opportunity for unrestricted cash to support this goal and help the state reach its target.

Therefore, the legislature hereby finds and declares that New York state has an opportunity and obligation to invest in its most vulnerable residents by leading the fight against childhood poverty, and toward an equitable economy for all, through a guaranteed income program for infants.

§ 3. Article 6 of the social services law is amended by adding a new title 4-C to read as follows:

TITLE 4-C

BABY BUCKS ALLOWANCE

Section 409-o. Baby bucks allowance.

§ 409-o. Baby bucks allowance. 1. Within one year of the effective date of this section, the department shall establish a baby bucks allowance pilot program to support low-income families for three months of pregnancy and eighteen months of a child's life. Such pilot program shall be in effect for twenty-one months.

2. (a) The department, in coordination with local social services districts, shall develop criteria that local social services districts shall use to select a total of fifteen thousand eligible families for participation in the program.

(b) Eligible individuals chosen for participation in the program shall receive a subsidy of one thousand dollars per month for the last three months of pregnancy and the first nine months of a child's life and five hundred dollars per month for the last nine months of participation in the program.

(c) The department shall allocate the necessary funds to local social services districts for selected eligible selected participants.

(d) Monthly distributions shall be made by local social services districts on the first of each month for the duration of the program to the eligible selected participants.

3. Eligible participants shall:

(a) have an income which is below two hundred percent of the federal poverty line. Such income shall be proven by providing one of the following:

(i) a filed tax return from the previous year;

(ii) a letter from an employer documenting the dates of work of the applicant and the yearly pay from the employer;

(iii) a W-2 or 1099 form from the previous tax year; or

(iv) a wage notice provided pursuant to section one hundred ninety-five of the labor law that documents employment for a period of time within six months prior to the date the applicant certifies that they became eligible;

(b) participate in monthly surveys provided by the department; and

(c) meet any other criteria deemed necessary by the department.

4. Of the fifteen thousand eligible participants:

(a) Ten thousand participants shall reside in a city with a population of one hundred forty thousand or more; and

(b) Five thousand participants shall reside in a rural area as defined in section twenty-nine hundred fifty-one of the public health law.

5. The department, in coordination with local social services districts, shall assist eligible participants with access to resources, subsidy management, and anything else deemed necessary by the department.

6. The department and local social services districts shall conduct a monthly survey to determine the impact of the program. The department shall prepare an interim report regarding the first twelve months of the program which shall be completed by the eighteenth month of the program and a final report shall be made no later than twelve months after the completion of the twenty-one month program.

§ 4. Paragraph (a) of subdivision 8 of section 131-a of the social services law is amended by adding a new subparagraph (xiv) to read as follows:

(xiv) any financial assistance received by individuals from the baby bucks allowance. Such exemption and disregard shall be applicable for the length of time the individual receives the allowance. The commissioner shall seek federal waiver authority to disregard the income from the baby bucks allowance for the purpose of the supplemental nutrition assistance program.

§ 5. This act shall take effect immediately.