

# STATE OF NEW YORK

5533

2025-2026 Regular Sessions

## IN SENATE

February 24, 2025

Introduced by Sen. BRISPORT -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law and the social services law, in relation to establishing a permanent child care workforce pay equity fund and the distribution of such fund; and making an appropriation therefor

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

1 Section 1. The state finance law is amended by adding a new section  
2 97-bbbbbb to read as follows:

3 § 97-bbbbbb. Statewide permanent child care workforce pay equity fund.

4 1. There is hereby established in the joint custody of the state comp-  
5 troller and the commissioner of taxation and finance a fund to be known  
6 as the "permanent child care workforce pay equity fund".

7 2. The permanent child care workforce pay equity fund shall consist of  
8 moneys appropriated, credited or transferred thereto from any other fund  
9 or source. Any unexpended and unencumbered moneys remaining in the  
10 permanent child care workforce pay equity fund at the end of a fiscal  
11 year shall remain in the permanent child care workforce pay equity fund  
12 and shall not be credited to any other fund. Any interest received by  
13 the comptroller on moneys on deposit in the fund shall be retained in  
14 and become a part of such fund.

15 3. Moneys of the permanent child care workforce pay equity fund shall  
16 be made available to the commissioner of the office of children and  
17 family services for activities to improve workforce conditions for  
18 employees of eligible child care services and programs, and to help  
19 ensure eligible programs can operate at high quality and at maximum  
20 capacity. Allowable uses of these funds may include, but not be limited  
21 to, salary increases, workforce retention bonuses and recruitment bonus-  
22 es, indirect costs associated with implementing salary increases and  
23 bonuses, costs associated with employee health, and fringe benefits.

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

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1 Moneys awarded to a program in accordance with this section shall meet  
2 the following requirements:

3 (a) No less than seventy-five percent of moneys awarded to a program  
4 from the permanent child care workforce pay equity fund shall be used to  
5 increase compensation and/or benefits for employees in a direct caregiv-  
6 ing role with children;

7 (b) No less than ten percent of moneys awarded to a program from the  
8 permanent child care workforce pay equity fund shall be used to increase  
9 compensation and/or benefits for employees, administrators, owner-opera-  
10 tors, who are not in a direct caregiving role with children; and

11 (c) All remaining moneys awarded to a program from the permanent child  
12 care workforce pay equity fund shall be used at program discretion to  
13 support the workforce, expand program capacity, and improve program  
14 quality.

15 4. The office of children and family services shall submit a report to  
16 the governor and the legislature by January thirty-first, two thousand  
17 twenty-six and annually thereafter detailing all expenditures awarded to  
18 a program from the permanent child care workforce pay equity fund, and  
19 the office's priorities for allocating funds from the permanent child  
20 care workforce pay equity fund.

21 5. Within one year of the effective date of this section and annually  
22 thereafter, the office of children and family services shall establish,  
23 by regulation, a minimum compensation scale for the child care workforce  
24 that is inclusive of all members of the workforce, not just those in  
25 direct caregiving roles with children, and is structured to not inter-  
26 fere with existing or future collective bargaining. Such compensation  
27 scale shall seek to elevate wages of child care educators to parity with  
28 those of similarly situated public school educators and shall be devel-  
29 oped in consultation with the department of labor, the state education  
30 department, unions representing child care workers and providers,  
31 members of the child care advocacy community, and representatives of  
32 child care programs of all modalities, from around the state. All  
33 participants shall be permitted to review and comment on the draft mini-  
34 imum compensation scale, which shall be published annually, no later than  
35 December thirty-first in any given calendar year following the initial  
36 report.

37 6. To be eligible to be awarded moneys from the permanent child care  
38 workforce pay equity fund, a program must accept families paying for  
39 child care by means of the New York child care assistance program. In  
40 addition, upon implementation of the minimum compensation scale,  
41 programs must agree to meet the minimum compensation requirements and  
42 agree to reasonable reporting requirements regarding the use of such  
43 funds.

44 7. The office of children and family services shall maintain a formula  
45 for distributing funds to child care providers which shall give prefer-  
46 ence to providers that serve: (i) high numbers of children receiving New  
47 York child care assistance program subsidies; (ii) high numbers of high  
48 needs children; and (iii) unique populations or that otherwise advance  
49 the interest of the program as determined by the department.

50 Such formula for distributing funds shall consider: (i) licensed  
51 capacity and enrollment including the ages of the children enrolled and  
52 the ages of the children for whom the provider has capacity; provided,  
53 however, that enrollment shall be measured by the department using quar-  
54 terly enrollment averages or, if deemed appropriate by the department,  
55 using enrollment averages that are measured less frequently than quar-  
56 terly; (ii) costs associated with employee compensation, including sala-

1 ries and benefits; (iii) the number of enrolled children receiving New  
2 York child care assistance program subsidies; (iv) the demographics and  
3 income of families served, including the number of children enrolled and  
4 identified as high needs; (v) the business structure of providers;  
5 provided, however, that larger investor-owned providers shall be depri-  
6 oritized and only eligible for funding if the commissioner of the office  
7 of children and family services personally certifies eligibility for  
8 such funds and is provided an assurance as to how such funds will be  
9 used to support the child care workforce and that such funds will not  
10 serve to enrich private for-profit investors; and (vi) any other factors  
11 impacting the cost of providing quality early education and care includ-  
12 ing, but not limited to, serving infants and toddlers, providing  
13 nonstandard hours of care, and providing care in socially and econom-  
14 ically disadvantaged and historically underrepresented communities with  
15 shortages of early education and care slots. The office of children and  
16 family services shall incorporate geographic equity into the development  
17 of the formula and, to the best of their ability, calculate payments  
18 such that all funds are distributed to eligible providers each year.

19 § 2. Section 153-k of the social services law is amended by adding a  
20 new subdivision 13 to read as follows:

21 13. (a) The office of children and family services shall immediately  
22 establish rules and regulations for the distribution of funds from the  
23 permanent child care workforce pay equity fund.

24 (b) The office of children and family services shall establish and  
25 make widely available a consolidated application for the permanent child  
26 care workforce pay equity fund no later than one hundred eighty days  
27 after the effective date of this subdivision. Eligibility for the first  
28 round of payments from the permanent child care workforce pay equity  
29 fund shall be determined within sixty days after the applications are  
30 made available, with the first round of payments disbursed within thirty  
31 days of eligibility determination. All providers and programs approved  
32 for funds pursuant to this subdivision shall be provided payments at  
33 least quarterly for so long as the program remains eligible or until  
34 funds are exhausted. The office of children and family services shall  
35 determine a simple process for programs to recertify eligibility for  
36 such funds at an interval of no less than every twenty-four months.

37 § 3. The sum of one billion two hundred million dollars  
38 (\$1,200,000,000), or so much thereof as may be necessary, is hereby  
39 appropriated to the office of children and family services out of any  
40 moneys in the state treasury in the general fund to the credit of the  
41 permanent child care workforce pay equity fund account not otherwise  
42 appropriated for the purposes of carrying out the provisions of this  
43 act. Such moneys shall be payable on the audit and warrant of the state  
44 comptroller on vouchers certified or approved by the commissioner of  
45 children and family services, or such commissioner's duly designated  
46 representative in the manner provided by law.

47 § 4. This act shall take effect immediately; provided, however, that  
48 the amendments to section 153-k of the social services law made by  
49 section two of this act shall not affect the repeal of such section and  
50 shall be deemed repealed therewith.