

# STATE OF NEW YORK

4815

2023-2024 Regular Sessions

## IN ASSEMBLY

February 23, 2023

Introduced by M. of A. HEVESI, DINOWITZ, FAHY, KELLES, MITAYNES, GALLAGHER, MAMDANI, SEPTIMO, CLARK, SIMON, BURGOS, CRUZ, JACKSON, EPSTEIN, BICHOTTE HERMELYN, MEEKS, REYES, STECK, FORREST, CARROLL, ANDERSON, KIM, WEPRIN, SEAWRIGHT, GONZALEZ-ROJAS, CUNNINGHAM, DAVILA, CONRAD -- read once and referred to the Committee on Children and Families

AN ACT to amend the social services law and the education law, in relation to the provision of universal child care; to amend chapter 493 of the laws of 2017 amending the social services law relating to establishing a child care availability taskforce to evaluate the need for and availability of child care throughout the state, in relation to the effectiveness thereof; to amend the state finance law, in relation to establishing certain funds to provide for the establishment and funding of universal child care; to repeal certain provisions of the social services law relating thereto; 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. Short title. This act shall be known and may be cited as  
2 the "universal child care act".  
3 § 2. Legislative findings. The legislature hereby finds and declares  
4 that New York State's child care sector is facing an economic crisis. In  
5 2018, the legislature created a Child Care Availability Task Force. In  
6 2021, that Task Force issued its final report, finding that the current  
7 crisis "requires a dramatically different approach to child care: one  
8 that recognizes that high-quality child care is a public good and that  
9 provides the necessary public investment" to implement a system of high-  
10 quality universal child care. This legislation will move New York  
11 towards such a dramatically new system, where child care workers are  
12 treated with dignity and compensated generously as the educators that  
13 they are, where child care is free and available to all just like our

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

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1 public education system is free and available for all, where burdensome  
2 and ineffective means-testing requirements are ultimately eliminated,  
3 where public investments are directed towards those most in need as we  
4 build out our important child care infrastructure, where families have a  
5 meaningful ability to select the modalities that work best for their  
6 children, where child care providers are not forced to compete against  
7 each other, where high-quality is ensured for all so that we do not have  
8 a two-tiered child care system where the wealthy have high-quality care  
9 and the working poor have substandard care, where both federal and state  
10 funding is allocated generously, where the burden on localities is mini-  
11 mized, and where our child care system is truly universal.

12 § 3. Section 390-k of the social services law, as added by chapter 493  
13 of the laws of 2017, subdivisions 2 and 4 as amended by chapter 797 of  
14 the laws of 2021 and subdivision 3 as amended by chapter 133 of the laws  
15 of 2022, is amended to read as follows:

16 § 390-k. Child care availability taskforce. 1. There shall be estab-  
17 lished within the office of children and family services a child care  
18 taskforce for the purpose of [~~evaluating the need for and availability~~  
19 ~~of child care throughout the state~~] guiding New York towards a system of  
20 free and universal child care.

21 2. The taskforce shall be chaired by a representative of the executive  
22 chamber and the commissioners of the office of children and family  
23 services [~~and~~], the department of labor and the department of education,  
24 or their designees. Members of the taskforce shall serve without compen-  
25 sation for three year terms, but may be reimbursed for actual costs  
26 incurred for participation on such taskforce. Ensuring adequate  
27 geographic, racial and ethnic representation, members of the taskforce  
28 shall be appointed by the governor and comprised as follows:

29 (a) four individuals shall be appointed upon the recommendation of the  
30 speaker of the assembly, at least one of whom shall be a parent who has  
31 utilized subsidized child care and at least one of whom shall be a  
32 parent who has utilized unsubsidized child care, from different regions  
33 of the state;

34 (b) four individuals shall be appointed upon the recommendation of the  
35 temporary president of the senate, at least one of whom shall be a  
36 parent who has utilized subsidized child care and at least one of whom  
37 shall be a parent who has utilized unsubsidized child care, from differ-  
38 ent regions of the state;

39 (c) one individual shall be appointed upon the recommendation of the  
40 minority leader of the assembly;

41 (d) one individual shall be appointed upon the recommendation of the  
42 minority leader of the senate;

43 (e) two representatives of a child care resource and referral agency;

44 (f) a minimum of three and a maximum of four representatives of home-  
45 based child care providers;

46 (g) a minimum of three and a maximum of four representatives of  
47 center-based child care providers;

48 (h) two representatives from the business community;

49 (i) two representatives from unions that represent child care provid-  
50 ers; and

51 (j) at least one representative from each of the following entities:

52 (i) the office of temporary and disability assistance;

53 (ii) the council on children and families;

54 (iii) the department of taxation and finance;

55 (iv) a regional economic development council;

- 1 (v) the state university of New York or the city university of New  
2 York;
- 3 (vi) the state education department;
- 4 (vii) the early childhood advisory council;
- 5 (viii) a social [~~service~~] services district or county government or an  
6 entity that advocates on behalf of social services or county govern-  
7 ments; and
- 8 (ix) a non-profit child care advocacy organization.

9 3. The taskforce shall:

10 (a) examine the impact of the COVID-19 pandemic on child care in New  
11 York state;

12 (b) advise the state in developing an implementation framework leading  
13 to [~~a~~] an expeditions phased-in rollout of universal child care using  
14 existing state and federal resources;

15 (c) recommend potential solutions, partnerships, or other ways to  
16 address chronic child care workforce issues and other concerns identi-  
17 fied in the course of the examination required by this subdivision;

18 (d) assess the implementation of policies supported by federally fund-  
19 ed programs through various stimulus packages; [~~and~~]

20 (d-1) address how to implement a truly universal child care system  
21 that is free at the point of service for all families and delivers high-  
22 quality child care to all New Yorkers, with a four-year phase-in that  
23 follows priorities and principles: where expansions are targeted to  
24 first cover low-income families, historically underserved communities  
25 and families facing complex needs, including children with disabilities  
26 and child welfare involvement; where work requirements, activities  
27 tests, and immigration status requirements for low-income families are  
28 all eliminated; where the phase-in takes all reasonable steps to avoid  
29 benefits' cliffs; where reasonable steps are taken to guard against  
30 increases in costs for middle-income families; and where the roll-out of  
31 universal child care is coordinated with the expansions to universal  
32 pre-k and 3-k for all programs so that such programs do not cause unin-  
33 intentional harm to child care providers;

34 (d-2) address how to eliminate the barriers families eligible under  
35 state law face obtaining or utilizing subsidies;

36 (d-3) ensure the availability of child care for non-traditional work  
37 hours, and identification of the funding that would be needed to expand  
38 facilities that cover such non-traditional work hours;

39 (d-4) address the existence of illegal and unregulated child care  
40 providers, the labor conditions of employees at such facilities, and  
41 regulatory recommendations for approaching such providers;

42 (d-5) provide disparities in the quality of child care provided to  
43 families of different economic backgrounds, and the funding needed to  
44 provide high-quality child care for all;

45 (d-6) layout the factors contributing to the success of implementing  
46 universal pre-k programs in the state and the unintended consequences  
47 impacting child care providers, particularly family-based providers, in  
48 the state, together with recommendations;

49 (d-7) address how to implement federal funding for child care and  
50 universal pre-k in a way that maximizes federal appropriations, allows  
51 the state to achieve and fund a more expansive program that is not  
52 restricted by narrow and restrictive means-testing requirements and  
53 implements universal pre-k funding in a manner where the state education  
54 department and the office of children and family services coordinate so  
55 that such funding is allocated in a manner that supports and expands the  
56 state's child care providers, rather than harming existing programs;

1 (d-8) ensure an expeditious phased-in rollout of universal child care  
2 using existing state and federal resources, in no more than four years,  
3 with an emphasis on building out necessary infrastructure and providing  
4 care for those most in need while we move towards a truly universal  
5 system;

6 (d-9) recommend how best to phase in the establishment of a permanent  
7 department of early education and care, which shall possess the duties  
8 required to maintain and administer the free and high-quality universal  
9 child care system pursuant to the recommendations of the taskforce; and

10 (e) anything else the taskforce deems necessary.

11 4. [~~(a)~~] The taskforce shall report [~~its interim findings and recom-~~  
12 ~~mendations in accordance with subdivision three of this section to the~~  
13 ~~governor, the speaker of the assembly and the temporary president of the~~  
14 ~~senate no later than November first, two thousand twenty-two and its~~  
15 ~~final findings and recommendations no later than December thirty-first,~~  
16 ~~two thousand twenty-three.~~

17 ~~(b) The taskforce shall also report on the implementation of any~~  
18 ~~recommendations that resulted from the initial report required to be~~  
19 ~~produced by the task force pursuant to subdivision four of chapter four~~  
20 ~~hundred ninety-three of the laws of two thousand seventeen. Such addi-~~  
21 ~~tional report shall be provided annually, beginning July first two thou-~~  
22 ~~sand twenty-two] a four-year plan for a phased roll-out of universal  
23 child care in the state, and make annual recommendations, starting in  
24 November first, two thousand twenty-three through November thirtieth,  
25 two thousand twenty-four, for specific appropriations for budget allo-  
26 cations that would allow for a truly free and universal child care  
27 system, including, but not limited to: (a) wage increases for child care  
28 workers that allow them to achieve pay parity with public school teach-  
29 ers; (b) capital expenditures to allow for the expansion of child care  
30 infrastructure into communities most in need; and (c) startup funds to  
31 allow for the creation of new child care programs in child care deserts.  
32 Such recommendations shall include recommendations to identify all  
33 reasonable means of maximizing the allocation of federal funds, as well  
34 as supplemental funding from the state that would allow for a truly free  
35 and universal child care system. The taskforce report shall further make  
36 recommendations for the integration of child care programs into existing  
37 public programs, such as public schools, public universities, and public  
38 housing, to deliver high-quality child care to all New Yorkers. Such  
39 recommendations shall be based on what is needed to actually achieve a  
40 high-quality universal child care system in the state, and what addi-  
41 tional funding would be needed from the state to achieve that goal.  
42 Each year, following the annual state budget, the taskforce shall also  
43 provide a score card stating how close New York has come to achieving a  
44 high-quality universal child care system, provided, however, that task  
45 force members who are employees of the governor's office and the state  
46 legislature shall recuse themselves from such rating process. The task-  
47 force shall report its findings annually.~~

48 § 4. Subdivision 8 of section 390 of the social services law, as added  
49 by chapter 750 of the laws of 1990, is amended to read as follows:

50 8. The [~~department~~] office of children and family services shall  
51 establish and maintain a list of all current registered and licensed  
52 child day care programs and a list of all programs whose license or  
53 registration has been revoked, rejected, terminated, or suspended. [~~Such~~  
54 ~~information shall be available to the public, pursuant to procedures~~  
55 ~~developed by the department] The office of children and family services  
56 shall work with service providers and child care resource and referral~~

1 agencies throughout the state to gather information to create and main-  
 2 tain a publicly-searchable, user-friendly, and language-accessible data-  
 3 base of available child care facilities on the office's website and on a  
 4 companion phone application. Such database shall be updated in real  
 5 time and shall provide and be searchable by the following information:

6 (a) the name and address of the facility;

7 (b) the capacity of the facility;

8 (c) whether the facility is fully enrolled or has current availabili-  
 9 ty, with the available capacity specified by age group;

10 (d) whether the facility has a waiting list for which a family can  
 11 apply;

12 (e) the age range allowable for the facility;

13 (f) the modality for the facility;

14 (g) the operating hours for the facility;

15 (h) the language or languages spoken at the facility; and

16 (i) whether the facility has been cited for any violations, with any  
 17 such violations separated into "dangerous" and "non-dangerous" catego-  
 18 ries, and prominent notices indicating whether any such violations have  
 19 been cured or addressed.

20 The office of children and family services shall provide information  
 21 on its website in English, French, Polish, and the ten most common non-  
 22 English languages spoken by individuals with limited English proficiency  
 23 in the state, based on United States census data.

24 § 5. Subdivision 1 of section 410 of the social services law, as added  
 25 by chapter 395 of the laws of 1965, is amended to read as follows:

26 1. A public welfare official of a county, city or town is [~~authorized~~  
 27 obligated, provided funds have been made available therefor, to provide  
 28 day care at public expense for children residing in his or her territory  
 29 [~~who are eligible therefor pursuant to provisions of this title. Such~~  
 30 ~~care may be provided only in cases where it is determined, under crite-~~  
 31 ~~ria established by the department, that there is a need therefor because~~  
 32 ~~of inability of the parents to provide care and supervision for a~~  
 33 ~~substantial part of the day and that such care is in the best interest~~  
 34 ~~of the child and parent. Where the family is able to pay part or all of~~  
 35 ~~the costs of such care, payment of such fees as may be reasonable in the~~  
 36 ~~light of such ability shall be required] with the aim of providing free  
 37 and universal child care for all families within such territory.~~

38 § 6. Subdivision 2 of section 410-b of the social services law, as  
 39 added by chapter 395 of the laws of 1965 and such section as renumbered  
 40 by chapter 640 of the laws of 1971, is amended and a new subdivision 5  
 41 is added to read as follows:

42 2. The [~~department of social welfare~~] office of children and family  
 43 services is hereby designated and empowered to act as the agent of the  
 44 state in carrying out the provisions of any such federal law with  
 45 respect to such day care facilities in this state. In exercising this  
 46 duty as agent of the state, the office of children and family services  
 47 shall seek to obtain any waivers or permissions from federal agencies  
 48 necessary and proper to allow the state and its various subdivisions to  
 49 implement a child care system that is universal and free at the point of  
 50 service, notwithstanding that the state's child care system may be more  
 51 expansive than what is being reimbursed with federal funds.

52 5. To the extent that federal funds are offered for child care and are  
 53 contingent on matching funds from the state, the state shall make all  
 54 reasonable efforts to maximize the allocation of federal funds by making  
 55 sufficient state-level appropriations.

1 § 7. Subdivisions 5, 6, 7 and 8 of section 410-x of the social  
2 services law are renumbered subdivisions 6, 7, 8 and 9 and a new subdivi-  
3 sion 5 is added to read as follows:

4 5. (a) For each group for which the office of children and family  
5 services determines a separate payment rate pursuant to subdivision four  
6 of this section, and at the same frequency, such office shall utilize a  
7 cost estimation model to determine the actual cost providers incur when  
8 providing high-quality child care. The cost estimation model shall iden-  
9 tify and take into account cost drivers including but not limited to  
10 employee salary and benefits, enrollment levels, facility costs and  
11 compliance with statutory and regulatory requirements. Where a quality  
12 rating system or any quality indicators are being utilized, the cost  
13 estimation model shall also take into account the cost of providing  
14 services at each level of quality.

15 (b) In developing such model the office of children and family  
16 services shall consult with stakeholders including, but not limited to,  
17 representatives of child care resource and referral agencies, child care  
18 providers, labor leaders for any labor unions representing child care  
19 workers in the state, and any state advisory council established pursu-  
20 ant to 42 U.S.C.S. § 9831 et. seq., as amended. The cost estimation  
21 model shall be statistically valid, using complete and current data and  
22 rigorous collection methods. The cost estimation model shall further  
23 account for biases in reported data that tend to underestimate the cost  
24 of care, and shall make appropriate adjustments.

25 § 8. Section 410-z of the social services law, as added by section 52  
26 of part B of chapter 436 of the laws of 1997, is amended to read as  
27 follows:

28 § 410-z. Reporting requirements. 1. Each social services district  
29 shall collect and submit to the [department] office of children and  
30 family services, in such form and at such times as specified by the  
31 [department] office of children and family services, such data and  
32 information regarding child care assistance provided under the block  
33 grant as the [department] office of children and family services may  
34 need to comply with federal reporting requirements.

35 2. The office of children and family services shall prepare a report  
36 detailing the actual cost providers incur when providing child care in  
37 each setting, as determined by the cost estimation model established in  
38 paragraph (a) of subdivision five of section four hundred ten-x of this  
39 title. The report shall detail cost data for each setting, age group,  
40 care provided to children with special needs, and any other grouping for  
41 which a separate cost estimation is conducted. Such data shall include:

42 (a) the level of quality care as determined by a quality rating system  
43 or any quality indicators utilized by the state;

44 (b) a description of the major cost drivers for providing care; and

45 (c) a comparison of the costs of child care for each grouping to the  
46 market rate determined by the office of children and family services  
47 pursuant to subdivision four of section four hundred ten-x of this  
48 title.

49 The report shall be submitted to the governor, the speaker of the  
50 assembly and the temporary president of the senate by June first, two  
51 thousand twenty-five and June first of every other year thereafter. The  
52 office of children and family services shall post the information  
53 contained in the report on its website.

54 § 9. Subdivision 1 and paragraph (b) of subdivision 5 of section 410-c  
55 of the social services law, subdivision 1 as added by chapter 1014 of  
56 the laws of 1969, paragraph (a) of subdivision 1 as amended by chapter

1 110 of the laws of 1971, and paragraph (b) of subdivision 5 as amended  
2 by chapter 277 of the laws of 1990, and such section as renumbered by  
3 chapter 640 of the laws of 1971, are amended to read as follows:

4 1. (a) Expenditures made by counties, cities, and towns for day care  
5 and its administration, and day care center projects, pursuant to the  
6 provisions of this title, shall, if approved by the department, be  
7 subject to reimbursement by the state, in accordance with the regu-  
8 lations of the department, as follows: There shall be paid to each coun-  
9 ty, city or town (1) the amount of federal funds, if any, properly  
10 received or to be received on account of such expenditures; (2) [~~fifty~~]  
11 ninety per centum of its expenditures for day care and its adminis-  
12 tration and day care center projects, after first deducting therefrom  
13 any federal funds received or to be received on account thereof, and any  
14 expenditures defrayed by fees paid by parents or by other private  
15 contributions.

16 (b) For the purpose of this title, expenditures for administration of  
17 day care shall include expenditures for compensation of employees in  
18 connection with the furnishing of day care, including but not limited to  
19 costs incurred for pensions, federal old age and survivors insurance and  
20 health insurance for such employees; training programs for personnel,  
21 operation, maintenance and service costs; and such other expenditures  
22 such as equipment costs, depreciation and charges and rental values as  
23 may be approved by the department. It [~~shall not~~] may include expendi-  
24 tures for capital costs in appropriate cases at the discretion of the  
25 department, provided that capital costs are prioritized in areas that  
26 are categorized as child care deserts. In the case of day care purchased  
27 from a non-profit corporation constituting an eligible borrower pursuant  
28 to title five-a of this article, expenditures shall include an allocable  
29 proportion of all operating costs of such facility as may be approved by  
30 the department including but not limited to the expenditures enumerated  
31 in this paragraph [~~(b)~~] and expenditures for amortization, interest and  
32 other financing costs of any mortgage loan made to such non-profit  
33 corporation.

34 (b) The commissioner shall, within appropriations made available  
35 therefor, select proposed school age child day care programs which shall  
36 be eligible to receive an award [~~of no more than twenty five thousand~~  
37 ~~dollars~~] for start up or expansion costs, including planning, rental,  
38 operational and equipment costs, or minor renovations identified as  
39 being necessary in order for the program to comply with applicable state  
40 or local building, fire safety or licensing standards, based on plans  
41 submitted to him. The commissioner shall give preference to those areas  
42 of the state which are significantly underserved by existing school age  
43 child day care programs and to those programs which involve parents in  
44 the development and implementation of programs. The commissioner shall  
45 publicize this availability of funds to be used for purposes of this  
46 subdivision in awarding grants. Plans may be submitted by private not-  
47 for-profit corporations, organizations or governmental subdivisions.

48 § 10. Subdivision 8 of section 410-w of the social services law, as  
49 amended by section 1 of part Z of chapter 56 of the laws of 2021, is  
50 amended to read as follows:

51 8. Notwithstanding any other provision of law, rule or regulations to  
52 the contrary, a social services district that implements a plan amend-  
53 ment to the child care portion of its child and family services plan,  
54 either as part of an annual plan update, or through a separate plan  
55 amendment process, where such amendment reduces eligibility for, or  
56 increases the family share percentage of, families receiving child care

1 services, or that implements the process for closing child care cases as  
2 set forth in the district's approved child and family services plan, due  
3 to the district determining that it cannot maintain its current caseload  
4 because all of the available funds are projected to be needed for open  
5 cases, shall provide all families whose eligibility for child care  
6 assistance or family share percentage will be impacted by such action  
7 with at least thirty days prior written notice of the action. Provided,  
8 however, that a family receiving assistance pursuant to this title shall  
9 not be required to contribute more than what is required by federal law  
10 or ten percent of their income exceeding the federal poverty level,  
11 whichever is lower, and that such cost shall be covered entirely by the  
12 state.

13 § 11. Subdivision 6 of section 410-x of the social services law, as  
14 amended by section 2 of part Z of chapter 56 of the laws of 2021, is  
15 amended to read as follows:

16 6. Pursuant to department regulations, child care assistance shall be  
17 provided on a sliding fee basis based upon the family's ability to pay;  
18 provided, however, that a family receiving assistance pursuant to this  
19 title shall not be required to contribute more than what is required by  
20 federal law or ten percent of their income exceeding the federal poverty  
21 level, whichever is lower, and that such cost shall be covered entirely  
22 by the state.

23 § 12. Section 410-x of the social services law is amended by adding a  
24 new subdivision 9 to read as follows:

25 9. A social services district shall establish differential payment  
26 rates for child care services provided by licensed, registered or  
27 enrolled child care providers as required by this subdivision.

28 (a) Local social services districts shall establish a differential  
29 payment rate for child care services provided by licensed or registered  
30 child care providers who provide care to a child or children experienc-  
31 ing homelessness. Such differential payment rate shall be twenty percent  
32 higher than the actual cost of care or the applicable market-related  
33 payment rate established by the office of children and family services  
34 in regulations, whichever is less.

35 (b) Local social services districts shall establish a differential  
36 payment rate for child care services provided by licensed, registered,  
37 or enrolled child care providers who provide care to a child during  
38 nontraditional hours. "Nontraditional hours" shall mean care provided in  
39 the evening, night, or on the weekend. Such differential payment rate  
40 shall be twenty percent higher than the actual cost of care or the  
41 applicable market-related payment rate established by the office of  
42 children and family services in regulations, whichever is less.

43 (c) The cost of the differential payment rates established under this  
44 subdivision shall be covered by the state.

45 § 13. Subdivision 1 of section 410 of the social services law, as  
46 amended by chapter 694 of the laws of 2022, is amended to read as  
47 follows:

48 1. A public welfare official of a county, city or town [~~is authorized~~]  
49 shall, provided funds have been made available therefor, [~~to~~] and with  
50 the state making all reasonable efforts to obtain federal funding and  
51 supplementing those amounts with additional state funding, provide day  
52 care at public expense for children residing in his or her territory who  
53 are eligible therefor pursuant to provisions of this title. Such care  
54 [~~may~~] shall be provided [~~only in cases where it is determined,~~] under  
55 criteria established by the office of children and family services, that  
56 there is a need and that such care is in the best interest of the child

1 and parent; provided however that the public welfare official shall not  
2 [~~be required to~~] limit authorized child care services strictly based on  
3 the work, training, or educational schedule of the parents or the number  
4 of hours the parents spend in work, training, or educational activities,  
5 nor shall the public welfare official limit authorized child care  
6 services based on proof of immigration status. Where the family [~~is able~~  
7 ~~to pay part or all of the costs of such care~~] income is more than one  
8 thousand percent of the poverty line, payment of such fees as may be  
9 reasonable in the light of such ability [~~shall~~] may be required to the  
10 extent necessary as the state transitions to a system that is free and  
11 universal. To the extent there are insufficient funds to immediately  
12 serve all families, the state shall make all reasonable efforts to  
13 incrementally expand to universal access over a period of four years,  
14 pursuant to the phase-in priorities and principles recommended by the  
15 taskforce under section three hundred ninety-k of this article.

16 § 14. Paragraph (b) of subdivision 3 of section 410 of the social  
17 services law is REPEALED and paragraphs (c) and (d) are relettered para-  
18 graphs (b) and (c).

19 § 15. Subdivisions 1 and 2 of section 410-bb of the social services  
20 law, subdivision 1 as added by chapter 503 of the laws of 1988, subdivi-  
21 sion 2 as amended by chapter 659 of the laws of 1988, are amended to  
22 read as follows:

23 1. The legislature finds and declares that a crisis exists in the  
24 availability and quality of child day care in New York state and that  
25 this crisis poses a danger both to the welfare and safety of the chil-  
26 dren and to the productivity of this state's workforce; that inadequate  
27 salaries and in many cases nonexistent benefit packages have substan-  
28 tially contributed to the existing crisis by precluding day care centers  
29 from recruiting and retaining necessary teaching and supervisory staff;  
30 that an extremely high turnover rate has interfered in many instances  
31 with the ability of day care centers to comply with regulatory require-  
32 ments and to properly serve the children in their care; and that because  
33 of these extraordinary circumstances New York state must intervene and  
34 provide assistance for recruitment and retention of child care workers,  
35 with the goal of creating a free and universal child care system that is  
36 available to all, in the same manner as the public school system, with-  
37 out the burdens of means-testing. The legislature recognizes that a  
38 long-term solution to this crisis will require cooperative efforts among  
39 [~~the business community, local and state governments and families~~] all  
40 New Yorkers.

41 2. Within amounts appropriated specifically therefor, and after  
42 deducting funds as specified in subdivision three of this section, the  
43 commissioner shall allocate funds to local social services districts for  
44 grants to [~~eligible not-for-profit day care centers~~] child care provid-  
45 ers for retention and recruitment of teaching and supervisory staff, [~~as~~  
46 ~~follows:~~

47 ~~(a) a city social services district with a population in excess of one~~  
48 ~~million shall be allocated a portion of such funds based on an equal~~  
49 ~~weighting of:~~

50 ~~(i) its proportion of the state population of children aged five and~~  
51 ~~under, and~~

52 ~~(ii) its proportion of total claims for reimbursement received by the~~  
53 ~~department by May thirty-first, nineteen hundred eighty-eight for the~~  
54 ~~low income, transitional and teen parent day care programs authorized by~~  
55 ~~chapter fifty-three of the laws of nineteen hundred eighty-seven.~~

~~(b) all other eligible local social services districts shall be allocated the remaining portion of funds based on each district's proportionate share of licensed not for profit day care capacity relative to the total capacity of all such other eligible districts]~~ with the aim of providing staff with salary and benefits that is at parity with that of local public school teachers in the relevant area.

§ 16. Subdivisions 1 and 2 of section 410-v of the social services law, subdivision 1 as added by section 52 of part B of chapter 436 of the laws of 1997, subdivision 2 as amended by chapter 214 of the laws of 1998, are amended to read as follows:

1. The part of the block grant that is determined to be available to social services districts for child care assistance shall be apportioned among the social services districts by the department according to an allocation plan developed by the department and approved by the director of the budget. The allocation plan shall ~~[be based, at least in part, on historical costs and on the availability and cost of, and the need for, child care assistance in each social services district]~~ aim to provide universal and free child care on a statewide basis. Annual allocations shall be made on a federal fiscal year basis and shall incorporate the annual recommendations of the child care taskforce established under section three hundred ninety-k of this article.

2. Reimbursement under the block grant to a social services district for its expenditures for child care assistance shall be available for ~~[seventy-five]~~ ninety percent of the district's expenditures for child care assistance provided to those families in receipt of public assistance which are eligible for child care assistance under this title and for one hundred percent of the social services district's expenditures for other eligible families~~[, provided, however, that such reimbursement shall be limited to the social services district's annual state block grant allocation].~~ To the extent that families are not eligible for funding pursuant to this provision, the state shall make all reasonable efforts to ensure that families not eligible for federally-funded child care have access, phased-in over a period of four years, pursuant to the phase-in priorities and principles recommended by the taskforce under section three hundred ninety-k of this article.

§ 17. Subdivisions 1 and 2 of section 410-w of the social services law, subdivision 1 as amended by section 2 of part L of chapter 56 of the laws of 2022 and subdivision 2 as amended by chapter 569 of the laws of 2001, are amended to read as follows:

1. A social services district may use the funds allocated to it from the block grant to provide child care assistance to~~+~~

~~(a) families receiving public assistance when such child care assistance is necessary; to enable a parent or caretaker relative to engage in work, participate in work activities or perform a community service pursuant to title nine-B of article five of this chapter; to enable a teenage parent to attend high school or other equivalent training program; because the parent or caretaker relative is physically or mentally incapacitated; or because family duties away from home necessitate the parent or caretaker relative's absence; child day care shall be provided during breaks in activities, for a period of up to two weeks. Such child day care may be authorized for a period of up to one month if child care arrangements shall be lost if not continued, and the program or employment is scheduled to begin within such period;~~

~~(b) families with incomes up to two hundred percent of the state income standard, or three hundred percent of the state income standard effective August first, two thousand twenty-two who are attempting~~

~~through work activities to transition off of public assistance when such child care is necessary in order to enable a parent or caretaker relative to engage in work provided such families' public assistance has been terminated as a result of increased hours of or income from employment or increased income from child support payments or the family voluntarily ended assistance, provided that the family received public assistance at least three of the six months preceding the month in which eligibility for such assistance terminated or ended or provided that such family has received child care assistance under subdivision four of this section; and provided, the family income does not exceed eighty-five percent of the state median income;~~

~~(c) families with incomes up to two hundred percent of the state income standard, or three hundred percent of the state income standard effective August first, two thousand twenty-two, which are determined in accordance with the regulations of the department to be at risk of becoming dependent on family assistance, provided, the family income does not exceed eighty-five percent of the state median income;~~

~~(d) families with incomes up to two hundred percent of the state income standard, or three hundred percent of the state income standard effective August first, two thousand twenty-two, who are attending a post-secondary educational program; provided, the family income does not exceed eighty-five percent of the state median income; and~~

~~(e) other families with incomes up to two hundred percent of the state income standard, or three hundred percent of the state income standard effective August first, two thousand twenty-two, which the social services district designates in its consolidated services plan as eligible for child care assistance in accordance with criteria established by the department; provided, the family income does not exceed eighty-five percent of the state median income]~~

families who need child care or who are having trouble affording child care, to the maximum extent permissible under federal laws and regulations. To the extent that families are not eligible for funding pursuant to this provision, the state shall make all reasonable efforts to ensure that families not eligible for federally-funded child care have access, phased-in over a period of four years, pursuant to the phase-in priorities and principles recommended by the taskforce under section three hundred ninety-k of this article.

~~2. [For the purposes of this title, the term "state income standard" means the most recent federal income official poverty line (as defined and annually revised by the federal office of management and budget) updated by the department for a family size of four and adjusted by the department for family size]~~ Each social services district shall conduct extensive and language-accessible outreach to families who need child care or who are having trouble affording child care. To the extent that social services districts or the office of children and family services are required to examine families' incomes pursuant to federal laws or regulations, they shall use the least restrictive and most efficient means available to avoid placing undue burdens on families applying for assistance. To the extent that families applying for assistance are required to provide proof of eligibility, each local social services district and the office of children and family services shall make all reasonable efforts to provide assistance in completing all necessary documents expeditiously.

§ 18. Subdivision 2 of section 410-u of the social services law, as added by section 1 of part L of chapter 56 of the laws of 2022, is amended to read as follows:

1 2. The state block grant for child care shall be divided into two  
2 parts pursuant to a plan developed by the department and approved by the  
3 director of the budget. One part shall be retained by the state to  
4 provide child care on a statewide basis to special groups and for activ-  
5 ities to increase the availability and/or quality of child care  
6 programs, including, but not limited to, the start-up of child care  
7 programs, the increase of child care worker salaries, the operation of  
8 child care resource and referral programs, training activities, the  
9 regulation and monitoring of child care programs, the development of  
10 computerized data systems, and consumer education, provided however,  
11 that child care resource and referral programs funded under title five-B  
12 of article six of this chapter shall meet additional performance stand-  
13 ards developed by the department of social services including but not  
14 limited to: increasing the number of child care placements for all  
15 persons, with priority given to persons who are at or below [~~two hundred~~  
16 ~~percent of the state income standard, or three hundred percent of the~~  
17 ~~state income standard effective August first, two thousand twenty-two,~~  
18 ~~provided such persons are at or below eighty-five percent of the state~~  
19 ~~median income,~~] one thousand percent of the federal poverty line; with  
20 emphasis on placements supporting local efforts in meeting federal and  
21 state work participation requirements, increasing technical assistance  
22 to all modalities of legal child care to persons, with a priority given  
23 to persons who are at or below [~~two hundred percent of the state income~~  
24 ~~standard, or three hundred percent of the state income standard effec-~~  
25 ~~tive August first, two thousand twenty-two, provided such persons are at~~  
26 ~~or below eighty-five percent of the state median income,~~] one thousand  
27 percent of the federal poverty line; including the provision of training  
28 to assist providers in meeting child care standards or regulatory  
29 requirements[~~7~~]; and creating new child care opportunities, and assist-  
30 ing social services districts in assessing and responding to child care  
31 needs for all persons, with priority given to persons at or below [~~two~~  
32 ~~hundred percent of the state income standard, or three hundred percent~~  
33 ~~of the state income standard effective August first, two thousand twen-~~  
34 ~~ty-two, provided such persons are at or below eighty-five percent of the~~  
35 ~~state median income] one thousand percent of the federal poverty line.  
36 The department shall have the authority to withhold funds from those  
37 agencies which do not meet performance standards. Agencies whose funds  
38 are withheld may have funds restored upon achieving performance stand-  
39 ards. The other part shall be allocated to social services districts to  
40 provide child care assistance to families receiving family assistance  
41 and to other low income families. To the extent that families are not  
42 eligible for funding pursuant to this subdivision, the state shall make  
43 all reasonable efforts to ensure that families not eligible for federal-  
44 ly-funded child care have access, phased-in over a period of four years,  
45 pursuant to the phase-in priorities and principles recommended by the  
46 taskforce under section three hundred ninety-k of this article.~~

47 § 19. Section 410-cc of the social services law, as amended by chapter  
48 882 of the laws of 1990, is amended to read as follows:

49 § 410-cc. Start up grants for child day care. The commissioner shall  
50 provide funds to start up grants to not-for-profit organizations or  
51 corporations for the development of new or expanded all day child day  
52 care programs including costs related to planning, renting, renovating,  
53 operating, and purchasing equipment. The commissioner shall establish  
54 guidelines including, but not limited to, allowable costs, and criteria  
55 for eligibility for grants giving preference to those child day care  
56 providers who [~~will, to the maximum extent feasible, target services to~~

1 ~~households having incomes up to two hundred percent of the federal~~  
2 ~~poverty standard] serve areas that currently constitute child care~~  
3 ~~deserts, and with the aim of developing New York's statewide universal~~  
4 ~~child care infrastructure.~~ The commissioner shall widely publicize the  
5 availability of funds and conduct extensive outreach in a language-ac-  
6 ~~cessible manner to develop the state's universal child care infrastruc-~~  
7 ~~ture. [No awards shall be granted which exceed twenty-five hundred~~  
8 ~~dollars for a new family day care provider or new group family day care~~  
9 ~~provider, and one hundred thousand dollars for a new child day care~~

10 ~~center.]~~ Child care resource and referral agencies [~~may~~] shall receive  
11 family day care start up grants [~~not to exceed two thousand five hundred~~  
12 ~~dollars per new provider~~] if the agency trains such new family provider  
13 and thereby expands the supply of family day care programs in the commu-  
14 nity. The commissioner shall give preference to those communities which  
15 are significantly underserved by existing programs and to those programs  
16 which and those providers who will serve infants under two years of age.

17 § 20. Section 101 of the education law is amended to read as follows:

18 § 101. Education department; regents of the university. There shall  
19 continue to be in the state government an education department. The  
20 department is charged with the general management and supervision of all  
21 public schools and all of the educational work of the state, including  
22 the operations of The University of the State of New York and the exer-  
23 cise of all the functions of the education department, of The University  
24 of the State of New York, of the regents of the university and of the  
25 commissioner of education and the performance of all their powers and  
26 duties, which were transferred to the education department [~~by section~~  
27 ~~three hundred twelve of the state departments law~~] or shall have been  
28 prescribed by law before March sixteenth, nineteen hundred twenty-seven,  
29 whether in terms vested in such department or university or in any sub-  
30 department, division or bureau thereof or in such commissioner, board or  
31 officer, and such functions, powers and duties shall continue to be  
32 vested in the education department continued by this chapter and shall  
33 continue to be exercised and performed therein by or through the appro-  
34 priate officer, sub-department, division or bureau thereof, together  
35 with such functions, powers and duties as hereafter may be conferred or  
36 imposed upon such department by law. The education department shall also  
37 establish an office of early education, which shall be tasked with coor-  
38 minating with the office of children and family services to ensure that  
39 the implementation of funding for universal pre-K and 3-K for all  
40 programs are phased in in a manner that complements and supports child  
41 care providers within the state and provides equitable wages, benefits,  
42 and working conditions for child care workers, pursuant to the guidance  
43 established by the taskforce under section three hundred ninety-k of the  
44 social services law. All the provisions of this chapter, in so far as  
45 they are not inconsistent with the provisions of this chapter as hereby  
46 amended or may be made applicable, shall apply to the education depart-  
47 ment continued by this chapter as hereby amended and to The University  
48 of the State of New York, the board of regents of the university, the  
49 commissioner [~~of education~~] and to the divisions, bureaus and officers  
50 in such department. The head of the department shall continue to be the  
51 regents of The University of the State of New York, who shall appoint,  
52 and at pleasure may remove, the commissioner [~~of education~~]. The  
53 commissioner shall continue to be the chief administrative officer of  
54 the department. The regents also may appoint and, at pleasure, remove a  
55 deputy commissioner [~~of education~~], who shall perform such duties as the  
56 regents may assign to him by rule and who, in the absence or disability

1 of the commissioner or when a vacancy exists in the office of commis-  
2 sioner, shall exercise and perform the functions, powers and duties  
3 conferred or imposed on the commissioner by this chapter. The regents  
4 of The University of the State of New York shall continue to constitute  
5 a board and The University of the State of New York, which was continued  
6 under such name by section two of article eleven of the constitution,  
7 shall continue to be governed and all its corporate powers to be exer-  
8 cised by such board.

9 § 21. Section 2 of chapter 493 of the laws of 2017 amending the social  
10 services law relating to establishing a child care availability task-  
11 force to evaluate the need for and availability of child care throughout  
12 the state, as amended by chapter 797 of the laws of 2021, is amended to  
13 read as follows:

14 § 2. This act shall take effect immediately and shall expire December  
15 31, [~~2024~~] 2027 when upon such date the provisions of this act shall be  
16 deemed repealed.

17 § 22. The state finance law is amended by adding three new sections  
18 99-qq, 99-rr, and 99-ss to read as follows:

19 § 99-qq. Child care workforce stabilization fund. 1. There is hereby  
20 established in the custody of the state comptroller and the commissioner  
21 of taxation and finance a fund to be known as the child care workforce  
22 stabilization fund.

23 2. Such fund shall consist of all moneys collected therefor or credit-  
24 ed or transferred thereto from any other fund, account or source. Any  
25 interest received by the comptroller on moneys on deposit in the child  
26 care workforce stabilization fund shall be retained in and become a part  
27 of such fund.

28 3. Moneys in the child care workforce stabilization fund, following  
29 appropriation by the legislature, shall be utilized to directly raise  
30 wages among participating programs as New York adjusts its reimbursement  
31 rates to cover the true cost of child care, and to allow child care  
32 providers to pay staff adequate wages and benefits at parity with public  
33 school teachers as New York state restructures its economy to reflect  
34 the true value of this important work. Such moneys shall be allocated  
35 through agencies including, but not limited to, the office of children  
36 and family services.

37 § 99-rr. Child care transitional reimbursement rate fund. 1. There  
38 is hereby established in the custody of the state comptroller and the  
39 commissioner of taxation and finance a fund to be known as the child  
40 care transitional reimbursement rate fund.

41 2. Such fund shall consist of all moneys collected therefor or credit-  
42 ed or transferred thereto from any other fund, account or source. Any  
43 interest received by the comptroller on moneys on deposit in the child  
44 care transitional reimbursement rate fund shall be retained in and  
45 become a part of such fund.

46 3. Moneys in the child care transitional reimbursement rate fund,  
47 following appropriation by the legislature, shall be utilized in a  
48 manner that reflects a transitional reimbursement rate structure based  
49 on the results of the forthcoming child care market rate survey or the  
50 existing survey, whichever results in higher rates. Reimbursement rates  
51 shall be set at the ninetieth percentile of market rates in each region  
52 to ensure that per child amounts are sufficient to not disrupt the child  
53 care sector during this transition from a market rate-based model to a  
54 model based on the true cost of quality care. During the phase-in peri-  
55 od, entry level staff shall be paid at least a living wage, with more  
56 experienced staff compensated at a proportionately higher rate and with

1 compensation progressively increasing over the course of the transition  
2 period. Such moneys shall be allocated through agencies including, but  
3 not limited to, the office of children and family services.

4 § 99-ss. Child care infrastructure development fund. 1. There is  
5 hereby established in the custody of the state comptroller and the  
6 commissioner of taxation and finance a fund to be known as the child  
7 care infrastructure development fund.

8 2. Such fund shall consist of all moneys collected therefor or credit-  
9 ed or transferred thereto from any other fund, account or source. Any  
10 interest received by the comptroller on moneys on deposit in the child  
11 care infrastructure development fund shall be retained in and become a  
12 part of such fund.

13 3. Moneys in the child care infrastructure development fund, following  
14 appropriation by the legislature, shall be used to build and develop  
15 child care infrastructure in connection with existing public insti-  
16 tutions such as public universities, public schools, and public housing.

17 § 23. The sum of five billion dollars (\$5,000,000,000) is hereby  
18 appropriated out of any moneys in the state treasury in the general fund  
19 to the credit of the state purposes account, not otherwise appropriated,  
20 and made immediately available as set forth herein. Such funds shall be  
21 allocated as follows:

22 (a) Three billion dollars (\$3,000,000,000) shall be allocated to guar-  
23 antee access to child care subsidies to high-quality and culturally  
24 responsive child care that meets the needs of all children, including  
25 children with disabilities, those experiencing trauma, multilingual  
26 learners, families who work non-traditional hours, and families experi-  
27 encing homelessness or in transitional housing. Such moneys shall be  
28 allocated through agencies including, but not limited to, the office of  
29 children and family services.

30 (b) One billion dollars (\$1,000,000,000) shall be allocated to the  
31 child care workforce stabilization fund established pursuant to section  
32 99-qq of the state finance law.

33 (c) Six hundred million dollars (\$600,000,000) shall be allocated to  
34 the child care transitional reimbursement rate fund pursuant to section  
35 99-rr of the state finance law.

36 (d) Four hundred million dollars (\$400,000,000) shall be allocated to  
37 the child care infrastructure development fund pursuant to section 99-ss  
38 of the state finance law.

39 § 24. This act shall take effect immediately; provided, however, that  
40 the amendments to section 390-k of the social services law made by  
41 section three of this act shall not affect the repeal of such section  
42 and shall be deemed repealed therewith; provided, however, that the  
43 amendments to subdivision 8 of section 410-w of the social services law  
44 made by section ten of this act and the amendments to subdivision 6 of  
45 section 410-x of the social services law made by section eleven of this  
46 act shall not affect the expiration of such subdivisions and shall be  
47 deemed to expire therewith; and provided, further, that the amendments  
48 made to subdivision 1 of section 410 of the social services law made by  
49 section thirteen of this act shall take effect on the same date and in  
50 the same manner as chapter 694 of the laws of 2022, takes effect.