STATE OF NEW YORK

6039

2025-2026 Regular Sessions

IN SENATE

March 5, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law, in relation to the "childcare and early education sector on the economy act"

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

Section 1. Short title. This act shall be known and may be cited as the "childcare and early education sector on the economy act".

§ 2. Legislative findings and purpose. The legislature hereby finds and declares that there appears to be a serious shortage of high-quality childcare and early education options in communities throughout New York state. There is a strong consensus among researchers that childcare and early education programs provide a substantial economic payoff to communities where they are located. The legislature declares that it is crucial for the governor and legislators to obtain reliable, objective information about the economic benefits and burdens of investing in expanded childcare and early education programs within the state.

The purpose of this act is to study the economic impact on the state economy of quality childcare and early education programs for children aged 0-4, and after-school programs for children aged 5-12.

§ 3. The economic development law is amended by adding a new article 23 to read as follows:

ARTICLE 23

ECONOMIC IMPACT OF CHILDCARE AND EARLY EDUCATION SECTOR

Section 450. Definitions.
451. Study of the economic impact of the childcare industry.
452. Nature of the study.
453. Report.

§ 450. Definitions. For purposes of this article, "childcare and early education" means:

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

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1. Licensed full-day childcare and early education programs and centers.

2. Licensed part-time childcare and early education programs and centers.

3. Head Start and Early Head Start programs.

4. Public pre-schools.

5. Family childcare homes.

6. After-school programs for children aged 5-12.

§ 451. Study of the economic impact of the childcare industry. The department shall conduct a study of the economic impacts on the state economy of quality childcare and early education programs for children aged 0-4, and after-school programs for children aged 5-12.

§ 452. Nature of the study. The study of the economic impact of the childcare industry shall include:

1. An evaluation of childcare and early education as a sector of the economy, including:

(a) Number of workers directly employed at childcare and early education facilities, and the gross value of their wages.

(b) Gross receipts of the industry, that is, total number of dollars flowing into the sector in the form of payments for care from parents and from public and private subsidies.

(c) Value of goods and services purchased by the childcare and early education industry.

(d) Federal dollars flowing to the state for childcare and early education.

2. An evaluation of the degree to which available childcare and early education:

(a) Enables parents to work outside the home and earn income.

(b) Enables parents to attend educational programs.

(c) Decreases absenteeism at work, reduces turnover, or increases productivity.

(d) Attracts businesses to the state.

3. An analysis of demographic data to identify the relative gap between the needs in the state and available resources, and the return to the economy if that gap is closed, including:

(a) Number of children aged 0-12 with both parents in the labor force, or with their single parent in the labor force.

(b) Trends of likely future growth in the number of children aged 0-12 in the population for the next decade.

(c) Demographic makeup of parents in the labor force and demographic makeup of adults with children who might wish to join the labor force.

(d) Cost of childcare and early education, and its relationship to family income.

(e) Availability of child care.

(f) Number of children eligible for state or federal aid.

(g) Number of children eligible for, but not receiving, state or federal aid.

4. A review of available literature on the impact of childcare and early education programs on children's future ability to contribute to the workforce, including:

(a) An evaluation of school readiness at kindergarten and first grade.

(b) An evaluation of positive outcomes in school, from elementary through likelihood of high school graduation.

(c) An evaluation of resulting reductions in public spending, for example from:

i. less likelihood of being assigned to special education classes relative to those not in quality care or preschool;

ii. greater likelihood of graduation from high school;

iii. less likelihood of involvement with the criminal justice system and prison;

iv. greater likelihood of being employed; and

v. less likelihood of being on public assistance.

§ 453. Report. The department shall report the results of the study of the economic impact of the childcare industry to the governor and the legislature on or before January first, two thousand twenty-seven.

§ 4. This act shall take effect on the first of July next succeeding the date on which it shall have become a law.