STATE OF NEW YORK

4472--B

2025-2026 Regular Sessions

IN SENATE

February 5, 2025

Introduced by Sens. RAMOS, CLEARE, COMRIE, HOYLMAN-SIGAL, MAY, SALAZAR -- read twice and ordered printed, and when printed to be committed to the Committee on Social Services -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged and said bill committed to the Committee on Children and Families -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the social services law, in relation to implementing a cost estimation model and automatic market rate increases for child care assistance

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

Section 1. Subdivision 4 of section 410-x of the social services law, as added by section 52 of part B of chapter 436 of the laws of 1997, is amended to read as follows:

4. The amount to be paid or allowed for child care assistance funded under the block grant shall be [~~the actual cost of care but no more than~~] **equal to** the [~~applicable market-related~~] payment rate established by the department in regulations**, set in accordance with the market-rate survey or an approved alternative methodology**. The payment rates established by the department shall be sufficient to ensure equal access for eligible children to comparable child care assistance in the substate area that are provided to children whose parents are not eligible to receive assistance under any federal or state programs. Such payment rates shall take into account the variations in the costs of providing child care in different settings and to children of different age groups, and the additional costs of providing child care for children with special needs.

§ 2. Section 410-x of the social services law is amended by adding a new subdivision 5-a to read as follows:

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

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

(b) In developing such model the office of children and family services shall consult with stakeholders including, but not limited to, representatives of child care resource and referral agencies, child care providers and any state advisory council established pursuant to 42 U.S.C.S. § 9831 et. seq., as amended. The cost estimation model shall be statistically valid, using complete and current data and rigorous collection methods.

§ 3. This act shall take effect immediately.