Child Care Post Pandemic: The Impact of New Federal Funding on New York State

NYPWA

July 27, 2021
Today’s Agenda

• Federal Pandemic Funding Update
  • The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)
  • The American Rescue Plan Act (ARPA)

• NYS Child Care Budget for State Fiscal Year 2021-22

• Child Care Subsidy Updates
Today’s Presenters

- Nora Yates, Associate Commissioner, Division of Child Care Services
- Merideth Infantino, Manager of Child Care Subsidy Program
Federal Pandemic Funding Update
The Coronavirus Response and Relief Supplemental Appropriations Act, 2021

- New York State was awarded approximately $469 million
- Purposes of CRRSA funding:
  - To provide child care assistance to essential workers
  - To provide resources and supplies to child care providers to support implementation of virus mitigation polices and practices
  - To support the stability of the child care sector through grants or other assistance
  - Aiding providers not receiving CCDF prior the COVID for cleaning/sanitation
  - Activities to maintain or resume operation of programs including fixed costs and increased operating expenses
  - Providing relief from copays and tuition, absences/closures
Essential Worker Scholarships (EWS) 3rd Round

• $25 million of CRRSA funds allocated for essential worker scholarships (eligibility up to 300% of poverty)
• Launched on June 23, 2021 - July 21, 2021
• Parent-driven
• Online application
• Providers must certify weekly attendance
• “First come-first served’ basis
• Based on federal funds to support it
EWS-Spectacular Response!

• Great honor to support essential workers with child care scholarships through this unprecedented time
• Due to a spectacular response to the grant program, we are no longer accepting applications at this time.
• This will not impact applicants who have already received notice of approval; they will receive their scholarships
• OCFS will provide additional information to awardees regarding the term of the scholarship award

We are here to Assist
1-844-863-9316
ocfs.sm.Essentialworkerquestions@ocfs.ny.gov
EWS Eligibility

Parent:
• Up to 300% of poverty
• Essential Worker
• Work outside home
• No other responsible adult at home, able to care for child
• For a family with child care subsidy, can pay family share
• For a family not receiving child care subsidy, can pay cost of care up to the market rate

Program:
• Licensed/registered/permitted Article 47/enrolled LE Group (enrolled with an enrollment agency)
• In good standing
EWS Stats…

Approvals by Modality

<table>
<thead>
<tr>
<th>Modality</th>
<th># of Approvals by Modality Eligible Children</th>
<th># of Approvals by Modality Applications (Families)</th>
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<tr>
<td>DCC</td>
<td>4,108</td>
<td>9,621</td>
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<td>FDC</td>
<td>1,771</td>
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<td>GDC (NYC DCC)</td>
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<td>LE Group</td>
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<td>Grand Total</td>
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<td>19,417</td>
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# of Approvals by Modality Eligible Children

# of Approvals by Modality Applications (Families)
The American Rescue Plan Act, 2021

• New York State was awarded approximately $1.8 billion

• Categories of ARPA funding:
  o Supplemental discretionary Child Care and Development Fund (CCDF) dollars (~ $702 million for NYS)
  o Additional baselined “mandatory” CCDF funds (~ $29M for NYS)
  o Child Care Stabilization Grants (~ $1.1 billion for NYS)
    ▪ 50% of these funds must be obligated (awarded) within 9 months of enactment
Child Care Provider Stabilization Grants

Summer 2021

$1.1B of which

• 90% direct grants to child care providers
  o Eligible providers: Licensed, registered, permitted NYC Art 47 day care centers, and enrolled legally-exempt group programs (enrolled with an enrollment agency)….
    ▪ …that were open and serving children as of March 11, 2021 and…
    ▪ …are open and available to provide in person child care services on the date they apply for a grant, or attest that they will be serving children in person by September 20, 2021 or within 30 days, whichever is later
  o 90%: Formula-driven grant to be based on modality, geographic regions, and capacity
  o 10%: Supplemental funding for providers to incentivize different types of care
Stabilization Grants

Allowable uses of the Child Care Program Stabilization Funding

For purposes allowed under the Federal guidelines, including but not limited to:

• Personnel costs, including payroll, salaries, similar employee compensation
• Rent (including under a lease agreement) or payment on any mortgage obligation, utilities, or insurance; Facility maintenance or improvements, defined as minor renovations and to address COVID-19 concerns
• Personal protective equipment, cleaning and sanitization supplies and services
• Purchases of or updates to equipment and supplies to respond to COVID-19
• Goods and services necessary to maintain or resume child care services
• Mental health supports for children and employees
• Health and safety trainings for staff, including but not limited to CPR, First Aid

This includes the reimbursement of expenses incurred from January 31, 2020 as long as they were related to COVID-19 emergency
Stabilization Grants Online Application

- OCFS selected technology MTX to develop an easy online application system for providers to use to access Stabilization grants
- System will pre-populate much of the facility information such as modality, licensed capacity, operating status
- Providers will have a few questions to verify their information, complete attestations as to plans to spend the funds, and enter payment information
- They will also have their Child Care Resource and Referral (CCR&R) contact information on their application for assistance
Stabilization Grants

Child Care Stabilization Technical Assistance Initiative

- OCFS is providing over $10M in grants to
  - All 35 child care resource & referral agencies + Early Care and Learning Council
    - WHEDco
  - CSEA
  - UFT
- Technical Assistance grant purpose is to assist child care providers in completing the stabilization funding grant application and implementing their funded activities
NYS Child Care
Budget for State
Fiscal Year 2021-22
The Governor and the Legislature saw the new federal funds as the great opportunity we’ve been waiting for to effectuate transformational change in child care. The enacted budget included:

- Substantial resources for child care subsidy
- Stabilization grants for child care providers and money for supplies
- Continued support for essential worker scholarships
- Expansion of QUALITYstarsNY
- Funding to address child care deserts
Enacted Budget: Subsidy Provisions

• 12-month eligibility
• Cap of family co-pay at 10%
• Eligibility for families up to 200% State Income Standard
• 24 paid absences in a 12-month period
• Additional funding for facilitated enrollment
Child Care Subsidy Updates
COVID-19 Related Waiver Phase Out

Executive Orders terminated effective Friday, June 25, 2021
30 day phase out period ended July 24, 2021

The Executive Orders Impacted:
• 85% SMI
• Payment of absences and closures due to breaks in activities

Waivers on non-statutory items end July 31, 2021
Emergency Regulations Filed 6/16/2021

Changes to Child Care Subsidy Regulations:
- Family Share
- Applicability of Part 415.0

Communication with Districts:
- 21-OCFS-ADM-14
- Webinars for impacted districts
12-Month Eligibility

Requires full 12-month authorization period for all cases

- Family must remain below 85% SMI
- OCFS has filed regulations that will cover rules around 12-month eligibility including considerations related to case closings
  - Filed July 20th
  - To be published August 4th
  - Public Comment closes October 6th
Eligibility for families up to 200% FPL

OCFS has filed regulations and is evaluating program impacts

- Impacts definition of low income
- Maximum threshold for recertification of cases
24 paid absences in a 12-month period

24 absences required by statute

- Retroactive to SFY21, funding provided for 3 years
- OCFS has filed regulations
- OCFS will provide guidance on how to handle the retroactive application of this requirement. Considerations include:
  - Existing district policies related to absences
  - Waivers in place during the period
Still on Hold

Graduated Phase-Out of Assistance
85% SMI
Allocations

• 21-OCFS-LCM-19 Released on July 6, 2021
• Additional Funding for implementation of the Subsidy provisions in the Enacted Budget will be provided separately
• These additional allocations, along with policy and claiming instructions will likely be issued in stand-alone LCMs in the coming months
Subsidy Staffing

Addition of staff to Subsidy Unit

- Regulation and policy development
- Training
- Communication with Districts
- Support of new initiatives
Contact Information

Essential Worker Scholarship:
https://ocfs.ny.gov/childcarerelief
1-844-863-9316
ocfs.sm.Essentialworkerquestions@ocfs.ny.gov

Child Care Subsidy Questions:
ocfs.sm.districtsupport.subsidy@ocfs.ny.gov
thank you.