

## **NY child care providers could take massive hit**

### **With federal funding expiring, 5,700 centers may have to close**

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New York State Team | USA TODAY NETWORK

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Over 250,000 children in New York could lose access to child care after federal funding supporting child care providers throughout the state ended last month. If providers throughout the state are forced to close, the impact on both the businesses and parents would be detrimental.

“A shortage of child care providers in our state means that too many working parents have to make the impossible choice between going to work and taking care of their kids,” Sen. Kirsten Gillibrand, D-N.Y., said in a written statement. “A sudden lapse in federal funding that forces even more providers to close would be catastrophic for New York families.”

The \$24 billion Child Care Stabilization Program, passed through the American Rescue Plan of 2021, expired Sept. 30, which is expected to cause a steep decline in federal child care investment.

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The program allocated \$900 million to 15,000 eligible child care programs in the state, according to the New York State Office of Children and Family Services.

But without the funding, 5,700 child care centers would be forced to close as the money helps child care providers with rent and mortgage payments as well as hire and retain personnel, Gillibrand said last month.

#### **What this means for NY child care providers, parents**

At larger centers, it could most greatly affect employee pay and increase employee turnover rates, says Rochester’s Child Care Council Inc. CEO, Jeff Pier.

“This funding is a great injection, but it’s not continual,” Pier said. “When you inject funds into a program, it’s hard for a person or an owner to have sustainable wage increases ... because they’re not going to have that revenue coming in on a regular basis.”

And while the impact to these child care centers may not be immediate, he said there will be one.

“I think you’re going to see programs have to look at their bottom line and their budget and see how they want to allocate their resources,” Pier said. “I think down in New York City, you’re going to see a massive impact, but I think here, in upstate, it’s going to be slower.”

As for parents, according to The Century Foundation, a progressive public policy think tank, “(They) pay the greatest share of their earnings on child care in New York.”

“We project that over 10,000 New York parents across the state would be forced out of the workforce, and an additional 74,000 forced to cut their hours, standing to lose a collective \$846 million in household income,” The Century Foundation’s article on the end of the federal funds states.

Gillibrand announced legislation in September to try to soften the blow this loss of federal funding will have

on child care centers around the country.

“New York state, upstate New York, Monroe County, specifically, is doing everything it can to help families afford care and help programs stay open,” Pier said.

*USA TODAY* reporter Bailey Schulz contributed to this report.

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***Sen. Kirsten Gillibrand***

*D-New York*



**Parents in New York state pay an incredibly high percentage of their income for child care compared to other states. MINDY RAGAN WOOD/OKLAHOMA VOICE**

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