

The Honorable Kathy Hochul Governor of New York State NYS State Capitol Building Albany, NY 12224

Dear Governor Hochul.

The Business Council of New York State, Inc., urges you to include increased funding for the New York State Child Care Assistance Program (CCAP) in the Final FY 2025 State Budget. As the state's leading business advocacy organization, we recognize that accessible, affordable child care is not only a family necessity— it is an economic imperative.

New York's CCAP is a lifeline for working families. With the reinstatement of work requirements for Temporary Assistance (TA), more parents are returning to the workforce—a positive step for our economy. However, without immediate and sufficient state investment, this growing demand will lead to a devastating shortfall that could result in the loss of child care assistance for tens of thousands of low-income families. According to New York City officials, the city may be forced to stop recertifying vouchers, potentially leaving up to 7,000 children per month without care and putting jobs and family stability at risk. This will also be an unfortunate reality for families in more than seven other counties across the state.

This is not just a looming crisis—it is one we have the power to prevent. Findings from the recent *People's Pulse* survey confirm that 17% of New Yorkers reported leaving a job, reducing hours, or changing employment due to child care responsibilities. At the same time, the cost of care has soared, with infant care rates in family day care centers doubling since the pandemic. These barriers not only impact individual families—they ripple across the entire labor market.

We acknowledge the Senate and Assembly's proposals to add \$213 million and \$500 million respectively for child care assistance. However, advocates estimate that at least \$900 million is needed to sustain current access and support the providers who are the backbone of this system. Falling short of this will undermine both the workforce and economic resilience.

We urge you to work with legislative leaders to ensure that the Final State Budget includes the necessary funding to protect and expand access to child care assistance. Doing so will demonstrate New York's commitment to working families and to a stronger, more equitable economy for all. Thank you.

Sincerely,

Crystal Griffith

Director, Workforce Development

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