

Press Release

Media Contact

ERIKA ROSENBERG (585) 327-7066; erosenberg@cgr.org

Child Care Subsidies Reach 1 in 10 Eligible Children in Mid-Hudson Valley Yet the number served has increased in recent years

Rochester, N.Y., December 3, 2014 — The availability of child care subsidies in the Mid-Hudson Valley has increased somewhat over the past 7 years, but only 1 in 10 children who could benefit are being served, a new CGR study reports.

In the Mid-Hudson Valley counties of Columbia, Dutchess, Greene, Orange, Putnam and Ulster, the number of children receiving subsidies increased by 6% from 2007 to 2013 to just over 6,000, contrary to trends in most counties. Two regional counties had declines in the number of subsidies: Greene, 10%, and Ulster, 2%.

Yet, a relatively small share of children who would likely be eligible for subsidies are receiving them in the Mid-Hudson Valley: Subsidies are reaching about 10% of children in families with income at 200% or less of the federal poverty level, compared to about 20% statewide.

Child care is an enormous expense for families with working parents, especially those with young children not yet in school and low incomes. For example, according to New York State, a family needing full-time care for an infant under 18 months that selects a day care center can expect to pay as much as \$252 a week, or nearly \$13,100 a year. That comes close to consuming the entire paycheck of a minimum-wage worker, who will earn (before taxes) \$16,640 in a year.

The child care subsidy program operated by counties in New York State aims to ease that burden, helping to keep parents in the workforce and provide access to high-quality care for their children. Yet in most parts of New York State, subsidies have become less available over the past several years. From 2007 to 2013, the number of subsidies dropped in 38 of New York's 57 counties outside New York City, with an average decline of 27%.

"Child care subsidies are important to keeping low-income workers employed, and to providing access to high-quality early care settings for children," said the report's author, Erika Rosenberg.

CGR and the Greater Rochester League of Women Voters chose child care subsidies as the focus of our annual research effort in 2014, funded out of the Beatrice Bibby

Endowment. We received additional support to conduct in-depth analyses of the Mid-Hudson Valley and Long Island from the Dyson and Rauch Foundations. This report examines availability, need, funding and policies related to child care subsidies in the Mid-Hudson Valley and New York State as a whole. Other key findings include:

- After adjusting for inflation, federal and state funding to the Mid-Hudson Valley for child care subsidies has declined slightly since 2007, by less than 1% across all six counties. However, four of the six counties saw significant declines: 16% in Greene and Putnam, 11% in Orange and 9% in Ulster.
- Statewide, the subsidy program lacks consistency and the ability to analyze and monitor trends and need. Among local areas we studied, the share of eligible children receiving subsidies ranged from 6% to 25%, and federal and state funding per eligible child varied from less than \$350 to nearly \$2,000.
- Serving all eligible families would be very expensive, but targeting low-income families with children of particular ages may be more feasible. National research has shown that only 50% of those eligible for subsidies are likely to apply for assistance, potentially making it possible to make progress closing the gap between need and availability of subsidies.

To access the full report, visit www.cgr.org.

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