

Assessment of the State Fiscal Year 2023-2024 Executive Budget

This report provides the statutorily required assessment of “the proposals contained within the executive budget submission that are expected by the advisory council to impact the child poverty rate.” The Child Poverty Reduction Advisory Council (CPRAC), which is publishing this report, is charged by law with making evidence-based recommendations for reducing child poverty by 50 percent in New York State over the next 10 years, and monitoring the state’s progress towards this goal.

Pursuant to Social Services Law 131-zz, this report provides an overview of the proposals within the State Fiscal Year 2023-2024 Proposed Executive Budget that are anticipated to have an impact on child poverty in the state.

In this report, the Council considers those proposals, including new investments and continuations of existing programs and services that affect child poverty. To analyze and report on the proposals and their expected impacts on child poverty, the Council considers:

1. Do the proposals represent investments in new or existing programs or policies?
2. Will the investments have a direct or indirect impact on child poverty?
3. Will the investment have an immediate or long-term impact on child poverty?
4. Will the investments have a short- or sustained impact on child poverty?

For example, the Executive proposal to index the minimum wage to inflation has the potential to *directly* reduce the child poverty rate over the *long-term*. Itemized below are the proposals within the Executive Budget that are anticipated to affect child poverty in some way. There are proposals within the Executive Budget that would have an *indirect* and *long-term* effect on child poverty like education funding. Certain proposals will also have modest *direct, immediate* effects on child poverty, including eliminating barriers and improving stability for public assistance recipients, making it easier for low-income families to access childcare, and expanding proven-successful youth employment programs that puts money in young New Yorkers’ pockets.

The CPRAC recognizes the urgency of the child poverty crisis and encourages the advancement of evidence-based proposals that research has shown would have direct, immediate, and sustained effects on child poverty and assist in alleviating racial and ethnic disparities of poverty. While this report does not assess the Executive Budget proposals’ impacts on the racial inequity associated with poverty, the CPRAC recognizes this is a critical component of our work going forward. To that end, and pursuant to law, the Council is continuing to examine a range of different policy options, including tax credits, program reforms, and other investments, in order to develop actionable evidence-based recommendations that would enable the State to achieve its poverty-reduction goals. The Council’s analyses, including ongoing research to develop updated benchmarks in New York State, will help develop additional evidence for action.

Addendum 1

Impact Scorecard: Executive Budget Proposals Expected by the Advisory Council to Impact the Child Poverty Rate

Budget Item	New or Existing effort	Direct vs Indirect Impact on child poverty	Immediate or long-term impact on child poverty
EMPLOYMENT/WAGES			
Indexing the minimum wage to inflation			
Increases the minimum wage automatically each year to keep pace with inflation, capping annual increases at three percent.	New	Direct	Long-term
CHILDHOOD			
Education			
Continued support for pre-k across the State.	Existing	Indirect	Long-term
\$125 million new investment to allow an additional 17,500 young children to benefit.	New	Indirect	Long-term
\$1.2 billion in State support now provided for pre-k in New York.	Existing	Indirect	Long-term
\$34.4 billion proposed for school aid in Fiscal Year 2024, an increase of 10% from last year	New	Indirect	Long-term
Foundation aid funding to be funded in full, historic investment and the first time since the foundation aid formula adopted in 2007.	New	Indirect	Long-term
Child Care			
\$7.6 billion investment over four years.	Existing	Indirect	Long-term
Expanding eligibility for child care assistance to an estimated 113,000 children by increasing eligibility to the federal maximum – from 300 percent of the federal poverty level to 85% of the State Median Income.	New	Indirect	Long-term
Changes to make eligibility and assistance work more efficiently for families, including standardized eligibility across the state to address disparities, reducing barriers to eligibility for people receiving government support (i.e., SNAP, HEAP, Medicaid or WIC), lowers and in some cases eradicates co-pays, and increases State reimbursement rates to providers to expand the number of programs from which families can choose.	New	Direct	Immediate
Youth justice			
\$250 million to continue to support State and local costs for reform measures for the Raise the Age program.	Existing	Indirect	Long-term

Budget Item	New or Existing effort	Direct vs Indirect Impact on child poverty	Immediate or long-term impact on child poverty
Youth opportunities			
\$18 million in OTDA's budget for a new Youth Opportunities Program, which will augment the Summer Youth Employment Program during the school year, to provide year-round, part-time employment to an estimated 2,500 youth. This program will grow to \$37 million on an annual basis and will operate in localities that have experienced high rates of violent crime.	New	Direct	Immediate
\$47.1 million for the Summer Youth Employment Program, an increase of \$1 million, to accommodate the most recent minimum wage increase and ensure the same number of youths can be served as last summer	New	Direct	Immediate
PUBLIC BENEFITS			
Stability for benefit recipients:			
Making it easier for benefit recipients to maintain stability as they obtain work, by addressing policies that created benefits cliffs	New	Direct	Immediate
Disregards income for qualified work activities and training programs when calculating monthly benefit	New	Direct	Immediate
A six-month disregard for earned income for New Yorkers who get jobs, incentivizing work and addressing benefit cliffs historically associated with gaining employment, which many recipients and advocates had called out for years	New	Direct	Immediate
Ending the requirement for education to be combined with other activities after 12 months of post-secondary education	New	Indirect	Long-term
HOUSING			
Housing			
NYS Housing Compact: Creating 800,000 new housing units across the State to address the statewide housing supply crisis (and affordability crisis), including through local rezoning efforts, setting local housing production goals, incentivizing affordable housing development, authorizing Accessory Dwelling Units, supporting conversion of underutilized office space into affordable housing, creating thousands of new units of supportive housing	New	Indirect	Long-term
\$11 billion to support the operation of shelters and supportive housing units and to provide rental subsidies.	Existing	Indirect	Long-term
\$400 million to provide relief to New Yorkers experiencing high electric bills as well as lowering energy burdens through electrifications and retrofits.	New	Indirect	Immediate

Budget Item	New or Existing effort	Direct vs Indirect Impact on child poverty	Immediate or long-term impact on child poverty
Expansion of the NYS Homes and Community Renewal (HCR) Tenant Protection Unit as part of a multi-year investment to provide targeted support for tenants across New York, including providing guidance, advocacy, and legal assistance to upstate renters	New	Indirect	Long-term
\$20 million to support property owners who need financial assistance with lead paint remediation	New	Indirect	Long-term