



**Testimony of United Neighborhood Houses
Before the New York City Council Committees on Immigration & Women and Gender Equity
Council Member Shahana Hanif, Chair, Immigration Committee
Council Member Tiffany Caban, Chair, Women and Gender Equity Committee**

Oversight: PromiseNYC and Access to Child Care for Immigrants

**Submitted by Nora Moran, Director of Policy & Advocacy
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Thank you Council Members Hanif and Caban and members of the Council's Immigration and Women and Gender Equity Committees for the opportunity to testify today. My name is Nora Moran and I am the Director of Policy and Advocacy at United Neighborhood Houses (UNH). UNH is a policy and social change organization representing 46 neighborhood settlement houses, 40 in New York City, that reach 765,000 New Yorkers from all walks of life. UNH is also a founding member of the Campaign for Children (C4C), a coalition representing more than 150 children and youth service providers, advocates and community-based organizations in New York City.

A progressive leader for more than 100 years, UNH is stewarding a new era for New York's settlement house movement. We mobilize our members and their communities to advocate for good public policies and promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers. UNH leads advocacy and partners with our members on a broad range of issues including civic and community engagement, neighborhood affordability, healthy aging, early childhood education, adult literacy, and youth development. We also provide customized professional development and peer learning to build the skills and leadership capabilities of settlement house staff at all levels.

New York City settlement houses in the UNH network operate 70 Department of Education (DOE)-contracted center-based child care programs which provide year-round, full-day programs for children 0-4 years old, and/or Pre-K for All and 3-K for All Programs that offer school-day programs. Nine settlement houses run DOE-contracted Family Child Care Networks, and 10 operate Head Start or Early Head Start programs directly contracted with the federal Office of Head Start. Several also run fee-for-service early childhood education programs. Three settlement houses serve as borough-wide contractors for PromiseNYC. Collectively, settlement houses serve an estimated 12,000 children under the age of 5 citywide.

We appreciate the City Council's strong support for protecting and expanding early childhood education for all New Yorkers. This testimony evaluates and supports the continuation of the PromiseNYC program that provides child care for immigrant families, and includes additional

recommendations around the early childhood system in NYC that will support all children and families.

Invest \$20m in Promise NYC in FY24 to Provide Child Care for Immigrants

Due to restrictions on certain funding sources, the only public early childhood education programs that undocumented children can directly join are 3-K and Pre-K programs and federal Head Start. This leaves a major gap in child care for undocumented immigrants, including the tens of thousands of recent asylum seekers in New York City. To help address this challenge, UNH urges New York City to invest \$20 million in the FY 2024 Adopted Budget to continue the new Promise NYC program to provide subsidized child care to low-income undocumented children.

Under Promise NYC, four providers, including three settlement houses, have contracted with the Administration for Children's Services (ACS) to implement a child care voucher program in each of their respective boroughs (NMIC in the Bronx and Manhattan, Center for Family Life in Brooklyn, Chinese-American Planning Council in Queens, and La Colmena in Staten Island). The 6-month program launched in January 2023, and after a six-week period of administrative preparation, providers were able to begin outreach to families in February. Providers are contracted to serve a total of 600 children citywide for the remainder of the fiscal year through June.

Once the program launched, providers reported overwhelming success and need for the program. Demand was high, especially in neighborhoods with high concentrations of undocumented children and families, and providers quickly met their contracted numbers. ACS was collaborative with providers in building out the program, payments have been timely, and - crucially - families do not need to provide documentation or specific forms to qualify, ensuring low barriers to entry.

Access to subsidized child care through Promise NYC has enabled asylum-seekers to obtain employment or attend ESOL classes: One parent noted that "This is a great opportunity for me because I want to work and I have no one to leave my son with, I have no family or friends. It's only been two months since we arrived in New York." Another parent said, "I want to take English classes but I don't have the money to pay for daycare for my daughter, so leaving her in a safe place gives me the opportunity to prepare for later finding a job." These successes make clear the need to continue this program beyond its current end date of June 2023.

Promise NYC was funded with \$10 million in the City's FY 2023 budget after extensive support and negotiation from the Council. However, this funding was secured before the majority of new asylum seekers arrived in New York City, and it was not baselined, so programs are anticipating that child care will end on June 30th and undocumented families will abruptly be left without a child care arrangement.

We urge the City to extend funding for Promise NYC in the FY 2024 budget so that undocumented families can continue to access the affordable, subsidized child care they need. A \$20 million investment will allow these providers to serve the same number of children over a full one-year period (since the program started halfway through the fiscal year), including funding for increased staff capacity necessary for invoicing and matching families to available child care providers. Moving forward, we hope the City will consider adding new contractors or

subcontractors who can effectively reach high-need neighborhoods. We also encourage an analysis of the citywide need for care for undocumented families, and if warranted to increase investment into the program so it can reach more families.

Like any new program, there are a number of administrative challenges in the roll out that UNH would like the City to address moving forward should the program continue beyond FY23:

- A number of technical challenges arose as the program rolled out. Matching families with child care providers, as well as managing invoicing and sign-ups for these providers, have been time consuming and required more staff time than previously anticipated. Many undocumented families or recent asylum seekers may not have a bank account, and there were unanticipated tax impacts to giving vouchers directly to families, which was the City's original vision. The four providers are now paying child care providers directly for providing care, so additional time was needed to sort out these payment issues with both the City and providers. Additional technical support from the City would help smooth out these challenges in the future, including providing a list of child care providers and guidance on the financial process.
- Because the program is new and was not promoted widely by the City, many child care providers have expressed skepticism about the legitimacy of the program, leading to some delays in signing families up for care. There has also been some wariness from child care providers about ACS's involvement, because ACS's pre-existing child care voucher program is known for delays. Contracted providers overcame this challenge by promoting the program with their own local branding, instead of leading with ACS. Still, the City could do some additional outreach to child care providers about the Promise NYC program.
- Reflective of systemic issues in the City's early childhood and care system overall, there are not enough infant and toddler seats to meet demand. While average ages of Promise NYC participants varied by borough, it was universally more difficult to identify child care providers with infant and toddler seats. This is a broader challenge that the City must address. ACS should partner with DOE and DOHMH to ensure that capacity in the child care system across the City is being maximized in the best way possible. In particular, ACS and DOE should analyze underutilized child care slots (particularly 3-K slots) and convert those slots to match demand.
- The six-month program timeline of this program is short. While family approval for vouchers happens relatively quickly, matching families to a child care provider can take time, especially if the family does not already have a provider in mind or if local providers do not have capacity. There has been concern that providers are less likely to accept a voucher that only lasts a few months. This also puts pressure on contractors to spend all of their money by the end of June. The City should consider a timeline extension for the spend down of FY 2023 funds.

Invest in Child Care for Immigrants in the FY 2024 Adopted Budget

In addition to funding \$20 million for PromiseNYC, UNH urges the City to make key investments to stabilize and strengthen the early childhood system.

Settlement houses serve children of all backgrounds, and though programs do not ask about or document citizenship (unless explicitly needed by the funder, like in programs supported by Child Care Development Block Grant funds), they report serving immigrant children and families

across the variety of child care programs that they operate. Recently, several settlement houses have noted increased or now full enrollment in their early childhood education programs because they are now serving newly arrived asylum seekers in their programs. These children are being served via Pre-K, 3-K, and Head Start programs, which do not have citizenship requirements. This is why it is crucial to invest in the system overall, and to ensure that early childhood providers are supported with equitable salaries and prompt contracting and payment.

We urge the City to ensure that all children have access to high quality early childhood education by:

- Fully funding the 3-K program and restoring the timeline expansion to universality;
- Converting open 3-K school-day/year seats to extended-day/year seats, beginning by investing \$15 million in a pilot program to convert 1,000 seats;
- Funding a new labor contract that puts community based organization (CBO) early care and education teachers, directors and support staff on a path toward parity with their DOE counterparts. This includes factoring in longevity when determining salary increases and setting a wage floor of \$25/hour for all support staff; and
- Renewing the Promise NYC program, which provides access to child care for immigrant households, by investing and baselining \$20 million.

Addressing Debilitating Delays in Payments to Providers and Ongoing Systemic Needs

Finally, we reiterate the issues we have raised several times before the City Council about our ongoing concerns with the stability of the City's early childhood education system. New York City has long been a pioneer in early childhood education, achieving tremendous growth with universal Pre-K, the introduction of 3-K, and the transition of EarlyLearn contracts from the Administration for Children's Services (ACS) to the Department of Education (DOE). Despite the City's triumphs, the ECE system is currently facing grave challenges that are proving detrimental to families and providers. UNH continues to hear countless accounts from settlement houses about the challenges of payment delays, contract inflexibility, and a complicated DOE-centralized enrollment process. To make matters worse, we are just over two weeks from the start of the new fiscal year, and we do not know any provider who has received a budget for next year or started the contracting process. This delay is only going to keep providers a few steps behind and will continue to impact their cashflow when they are already hurting from two years of delays.

Early childhood education contracts must be held harmless and paid on time, and an option for providers to enroll families directly on-site must be implemented. Parents and caregivers have continued to express their concerns with advocates, citing cost, a complex application process, and a lack of available child care seats that meet their schedule's needs as main barriers to accessing care. DOE must also separate the system supporting enrollment data collection from the system responsible for invoicing and payments; and migrate DOE invoicing and payments out of the Pre-KIDS system and into MOCS (Mayor's Office of Contract Services) PASSPort system.

Thank you for your time. To follow up, you can contact me at nmoran@unhny.org.