Memorandum in Support
A.1077 (Jaffee)/S.2516 (Savino)

An act to amend the social services law, in relation to the treatment of earned income of a child under the age of 18 and the income of an 18, 19, or 20-year-old household member when determining the eligibility of a household for a child care subsidy.

This bill would add a new subdivision to Social Services Law 410-w which would require that the earned income of a child under the age of 21 be disregarded when determining the eligibility of a household for a child care subsidy.

Currently, the income of children between the ages of 14 and 17 is counted and local districts are provided the option of whether to count the income of 18-, 19-, or 20-year-olds when determining a parent’s financial eligibility for child care for a younger child in the household. This is in direct contrast to public assistance eligibility, where the income of older teens (18-, 19-, and 20-year-olds) is disregarded, but they are included in the household size for determining the financial need of the family. This bill proposes that all income of children below the age of 18 be disregarded in the same manner as it would for public assistance, and that the income of older teens only be included if doing so would benefit the family when determining eligibility for a child care subsidy.

The bill would provide consistent policy across the state. For instance, twenty-three districts never count an 18-, 19-, or 20-year-old when calculating household size or income in the situation where that youth does not work. The majority of districts choose to count those same youth when it benefits the family. For example, a three person family with annual earnings of $25,000, where a single parent has an 18-year-old child and a 4-year-old child, would pay a family share of $2,068 per year in a county where the family share is 35%. The same family would pay a family share of $3,455 per year if the 18-year-old child was not included in the determination of eligibility for child care assistance. Exclusion of the 18-year-old adds nearly $1,400 in additional assistance to the household.

In the example above, if that 18-year-old child works and earns $3,770 per year ($7.25 per hour, 10 hours per week for 52 weeks) and this income is counted as part of the family’s total income, the family share or copayment will be $3,388 per year by comparison to the $2,068 per year family share if the adult child is not counted against the family. This rule effectively results in a requirement that 19- to 20-year-olds in low-income families apply their earnings to the cost of child care for their younger siblings. The policy also penalizes the parent with a higher copayment when their child fails to make their income available to the household.

In no other social welfare program do we have budgeting rules which vary based upon the choice of the county, a choice which can be changed simply by amending their consolidated services plan. New York needs to set a consistent policy that makes sense for families and does not penalize them. This bill sets a consistent rule.

Winning Beginning NY strongly supports the passage of this bill.
April 17, 2013

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i N.Y. Social Services Law §§ 131-a(8), 131-a(10).
ii See 09 OCFS LCM-13.