

**Memorandum in Support  
A.5843a/S.4116**

**Disregard Teen Earnings When Determining Child Care Eligibility**

On behalf of *Winning Beginning NY*, the state's early care and learning coalition, we support this bill, 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.

When determining financial eligibility for public assistance, the general rule is to look at the size of the household and the income of those in the household. The income of children under the age of 18 is disregarded. In contrast, when determining eligibility for a child care subsidy, only the income of a child under the age of 14 is disregarded. The income of children between the ages of 14 and 18 is counted. Local districts are provided the option of whether to allow districts to count the income of 18, 19 or 20 year olds. 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.<sup>a</sup> This bill proposes that a similar rule be adopted for care budgeting unless doing so would disadvantage the family.

Currently there is no uniform state policy on how to budget the income of older teens when calculating the eligibility of the family for child care subsidy and, as a result, local policy varies dramatically across the state. Thirty districts opt to count an 18, 19, or 20 year old child residing at home as part of the child care household (called the "services unit" in state regulations) when calculating the family's eligibility for child care subsidy benefits. Of these 30, three-quarters apply the rule only when it benefits the family. This would happen when the adult child is not earning income and counting that child would increase the household size, respectively decreasing the family's co-payment. Additionally, eight districts will count the adult child in the household under some specific set of circumstances.

In each of these counties, a risk arises that the presence of the adult child in the household could harm the family for the purpose of calculating child care subsidy benefits because any income earned by the adult child would be included as part of the family income. This rule effectively results in a requirement that adult children in low-income families apply their earnings to the cost of child care for their younger siblings. This policy also penalizes the parent with a higher copayment when the child fails to make his income available. In addition, when the adult child is unconditionally


counted as part of the child care services unit, a family with an adult child who works will pay a larger family share than a family whose adult child does not work.

In no other social welfare program do we have budgeting rules which vary from county to county. We believe that a consistent policy should be put into place and that said policy should disregard the earned income of a child under the age of 21 when determining the eligibility of a household for a child care subsidy.

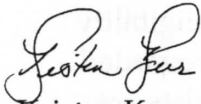
Sincerely,



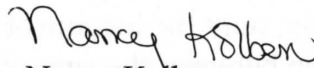
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May 5, 2011

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<sup>a a</sup> N.Y. Social Services Law §§ 131-a(8), 131-a(10).