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Children Caught in a Double Budget Buzz Saw

Governor Places State Budget Burden on the Shoulders of our Children

Governor Pataki has pledged to veto the legislature's budget, claiming that it is more acceptable to eliminate pre-kindergarten for 60,000 four year olds, cut \$1.24 billion in education funding, deny over 100,000 young people access to jobs and meaningful youth programs, and decimate the health care safety net, than to ask the wealthiest New Yorkers to help our state through these tough fiscal times. The impact of these cuts alone are stark.

Public Education. Currently, 2.84 million children attend public school in the state of New York, 85% of our state's school-age children. At a time of increasing education costs, the Governor has proposed cuts to school aid of \$1.24 billion. The cuts would hurt or eliminate many initiatives that research has shown work best in improving the education of our children.

- **Elimination of funding for Universal Pre-Kindergarten (UPK).** Quality early childhood education has been shown to significantly enhance young children's cognitive, social and emotional development, and to prepare them for greater success in school. Currently, 60,000 four year olds participate in New York's UPK program.
- **Elimination of full-day kindergarten.** The Governor's budget seeks to eliminate funds provided to districts to expand their kindergarten to full day programs. In the past four years more than 27,000 children have benefited from this program, the number of children served increasing each year. Yet statewide 120 New York school districts still offer only part day kindergarten.
- **Elimination of reduced class-size initiatives for grades K-3.** Reduced class size in the early years is the single most effective way to help children meet performance standards. An estimated 50,000 children benefit from the reduced class size program. The Executive Budget eliminates funding for this important initiative.
- **Reduced funding for teacher retention programs in hard to staff and big city schools, to repair and build new schools, for special education**

Health Care. The Governor has proposed cutting \$2 billion in health care funding.

- **Child Health Plus.** New York has over a half million uninsured children, and three out of four of them are eligible for but simply not enrolled in Child Health Plus. New York has taken steps in recent years to reduce the bureaucratic barriers that keep eligible children from getting health insurance they so desperately need. Governor Pataki's budget rolls back this progress, disrupting health care for hundreds of thousands of children, cutting benefits for some of our most vulnerable children, and delaying coverage for those who remain eligible.

- **Early Intervention**, a program serving 75,000 children 0-3 suffering developmental delays, would be cut by \$55.5 million. Under the Governor's budget the program would require for the first time 20% cost-sharing for families starting at 160% FPL up to a maximum amount per child based on a sliding fee scale. A family of three with an income of \$25,000 per year, for example, would be required to pay up to \$500 per year towards the cost of services for their infant or toddler. For many families, this will make these crucial services for infants and toddlers out of reach.

Youth Programs. The Governor's budget eliminates after school and jobs programs for over 100,000 young people throughout the state.

- **Elimination of Extended Day/School Violence Prevention programs.** Extended Day/Violence Prevention programs fund academic tutoring and remediation, conflict resolution/violence prevention, and recreational and other programs for 80,000 young people throughout the state. The Governor would eliminate the entire \$30 million used to fund these programs.
- **Elimination of the Summer Youth Employment program.** The Governor would cut \$25 million from Summer Youth Employment, eliminating over 20,000 jobs for young adults, predominantly 14 and 15 year olds in families with incomes up to 200% of the federal poverty line (\$36,200 for a family of four.)

President Bush Asks Children to Give More

At the same time our President has put tax cuts for the wealthy ahead of all other national priorities, including the needs of children and working families. To help pay for these cuts, the President slashes, dismantles and undermines the core supports for our nation's most vulnerable children.

- **Head Start** is the nation's premier early childhood education program serving nearly 1 million children, including nearly 50,000 in New York. Head Start helps children who start the program significantly behind catch up. Yet only 3 out of 5 children eligible for Head Start and 3% infants eligible for Early Head Start are served. The President's Budget dismantles federal requirements for trained teachers, high quality comprehensive services, and a mission too ensure parents are fully involved in helping their children prepare for school performance, while providing barely enough funding to cover cost of inflation.
- **Child Care** Development Block Grant provides money to the states to fund child care assistance for low-income working families and families working to get off welfare, and to improve the quality of child care. Only 1 in 7 children eligible for child care help nationally receives it. According to the U.S. Department of Health and Human Services, only 18.6% of the 880,900 eligible children in New York State receive child care assistance. The President's Budget increases welfare work requirements without increasing funding for child care. 30,000 children would lose child care assistance next year, and at least 200,000 fewer children would be helped by 2007.
- **Medicaid and the State Child Health Insurance Program** provides health insurance to almost 2 million children in New York, 30 million in the nation. President Bush has proposed block-granting Medicaid and CHIP, which would allow states to scale back services for children and impose substantial cost-sharing. The proposal is structured to lend cash-starved states money up front that they must pay back in later years, in effect capping over all funding and pitting children and the disabled against each other for limited funds. The President fails to restore \$1.2 billion in CHIP funds, which would cost New York almost half a billion dollars.
- **Youth** are at greatest risk of getting into trouble in the after school hours, yet 7 million children are left home alone and unsupervised on a regular basis. The President's Budget would cut after school services by nearly \$400 million, requiring school and community groups to drop approximately 570,000 children from services.
- **Education.** The President's No Child Left Behind Act requires states to measure student achievement in an effort to hold schools accountable for their performance in educating their

students. Yet the President's budget falls \$6.15 billion short of the \$18.5 billion planned for Title I, the centerpiece of the NCLB ACT, and cuts \$81 million from teacher improvement programs.

- **Even Start**, which provides literacy help to at-risk children and families, is cut by \$75 million, while **Individual with Disabilities Education Act (IDEA)** pre-school grants for children with disabilities.
- In addition, the President's budget block grants **Section 8** housing voucher program and imposes a new requirement that states charge at least \$50 per month rent; block grants **foster care**; freezes **TANF** funding while increasing work requirements; and increases bureaucratic hurdles for families applying for free or reduced cost **School Lunch and School Breakfast** programs, and for the **Earned Income Tax Credit**.

There Are Better Choices

For a fraction of the cost of the Senate Finance Committee tax cut bill,¹ this nation could provide health coverage for all uninsured children,² including 529,000 in New York State, and provide Head Start for all eligible children younger than six whose families want it,³ including 153,400 in New York.

The Senate Finance Committee bill provides over \$64,000 to the average U.S. millionaire (of which there are about 26,000 in New York) but only \$233 to the average middle-income American, according to the Urban Institute-Brookings Tax Policy Center.

¹ The Senate Finance Committee tax bill, as amended May 8, is projected to cost \$46 billion in FY03 and \$97 billion in FY04.

² CDF estimates that the cost of insuring all uninsured children is \$13 billion.

³ CDF estimates that the cost of providing Head Start for all children 0-5 is \$25 billion.