



Legislation Text

File #: Res 0561-2023, **Version:** *

Res. No. 561

Resolution calling on the New York State Legislature to pass, and the Governor to sign, A.200/S.3380 to provide a business tax credit for employer provided day care.

By Council Members Menin, Krishnan, Yeger, Hudson, Ung, Brewer, Lee, Riley, Velázquez, De La Rosa and Rivera

Whereas, One third of the workers in the United States live in a household with a child under 14; and

Whereas, The Bureau of Labor Statistics found that only 11% of employees are provided child care by their employers; and

Whereas, In a 2021 report from *Harvard Business Review*, almost 20% of working parents surveyed were forced to leave work or reduce their hours because they lacked child care options; and

Whereas, In a 2021 study from the Bipartisan Policy Center, more than half of working parents surveyed shared that their work was negatively affected by child care responsibilities; and

Whereas, Lack of child care results in significant employment disparities along racial and gender lines, with disproportionately high shares of single mothers and women of color reducing or eliminating their employment to care for children; and

Whereas, 2022 data from the Labor Department reveals that single mothers continue to return to work slower than other households due to a lack of child care options; and

Whereas, A 2021 study from Citizens' Committee for Children revealed that 41% of women between the ages of 25 and 54 with children in the New York Metropolitan area were not working compared to only 24% of similarly aged men with children; and

Whereas, Almost 93% of families with young children in New York City cannot afford child care

centers; and

Whereas, Limited or no access to employer provided child care costs employers 13 billion dollars yearly in lost productivity; and

Whereas, Increasing the number of women in the workplace would increase the United States' gross domestic product; and

Whereas, Organizations that provide child care to employees have seen above average retention rates post-childbirth; and

Whereas, A.200, introduced by Assembly Member William B. Magnarelli and pending in the New York State Assembly, and companion bill S.3380 introduced by Senator Timothy M. Kennedy and pending in the New York State Senate, seeks to amend the Tax Law, in relation to providing credits against the tax imposed upon employers providing certain day care services to the children of its employees; and

Whereas, A.200/S.3380 would provide employers with a tax credit in an amount not to exceed 20% of expenses incurred in providing day care services to the children and wards of its employees and in training persons employed by the taxpayer or third party provider rendering such services; and

Whereas, A.200/S.3380 stipulates that to receive the tax credit, programs or facilities providing day care services must be licensed accordingly; and

Whereas, A.200/S.3380 incentivizes New York employers to provide child care options for their employees; and

Whereas, Investing in child care means investing in working families and the economy; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass, and the Governor to sign, A.200/S.3380 to provide a business tax credit for employer provided day care.

RLB