

Permanent Workforce Compensation Program

Examples from Other States

Full-time child care workers in New York State make, on average, about \$35,000 per year, making it one of the lowest paying jobs in the state. According to New York's Department of Labor, child care workers make less than 97% of all other state jobs. Research shows that this chronic underfunding results in high rates of worker turnover and limits the availability of care for children throughout the state.

Over the past several years, states across the country have begun directly providing workforce compensation supplements to their child care workforce. This practice began when the federal government provided state governments with an unprecedented amount of funding to help the child care sector survive the COVID-19 public health and related economic crisis. As federal funds began to expire, several states decided to use state resources to continue providing direct support to the child care workforce. Those states joined some others with long-standing workforce compensation supplement programs.

The District of Columbia and the states of Maine, Minnesota, and North Carolina, Michigan, Iowa, Alabama, Rhode Island, and Louisiana have implemented or have begun considering similar programs, providing essential child care workers with the funds to continue doing the work they love while earning enough to support themselves.¹ Advocates and legislators in those state have recognized that their states need permanent compensation funds that sustain the workforce long term.

Each state's program has been implemented in different ways. The table below shows how Washington DC, Maine, Minnesota, and North Carolina have implemented workforce compensation supplements.

The examples of Maine, Minnesota, North Carolina, and Washington DC suggest that it is possible to provide sustained supplemental income to child care workers. New York has the opportunity to catch up to these states and provide children and families the support they need.

¹ Hsueh, J., Miller, C. & Maier, M. (2022). [States Offer Supplemental Wages to Retain Child Care Workers](#)

State	Per Worker Supplement ⁱ	Who is Eligible?	Supplement Variations	Distribution Method	Distribution Frequency
Maine	1st Tier- \$275/month (\$3,300/year), 2nd Tier- \$415/month (\$4,980/year), 3rd Tier- \$625/month (\$7,500/year). 3rd Tier will receive an additional \$100/month in retroactive payment. ⁱⁱ	Tiers are determined by the MRQT registry, which provides training to providers, including LE. Tier 0 employees are not eligible. All child care employees must be on the MRQT Registry. ⁱⁱⁱ	Supplement varies based on experience and education level. Workers are separated into three tiers to decide their supplement amount relative to their experience and education.	Provided to program/provider to distribute to workers. ^{iv}	Monthly
Minnesota	Full time equivalent is \$375/month (\$4,500/year). This is based on the hours worked in a month.	Licensed or certified programs, serves a minimum number of children during the funding period, including tribally licensed programs.	Supplement is based on hours worked in a month.	Paid to programs who must distribute directly to workers. Programs receive funding for the number of hours worked in a month, which then must be distributed based on the State's standards. Employers can use the compensation fund to aid in payroll taxes. ^v	Monthly
North Carolina	Ranges from \$450/month (\$5,400/year) to \$6,250 (\$75,000). Average supplement over 6 months is \$1,219. ^{vi}	Applicants must 1) work in a participating/funded county; 2) Earn below the locally selected income cap (\$17, \$19, or \$23/hour, not including ARPA funds); 3) Work with children 0-5; 4) Work at least 10 hours per week in a licensed child care program; 5) have one of the education levels listed in the WAGE\$ salary supplement scale. ^{vii}	Supplement is based on education level and certifications received.	Smart Start programs decide funding. Counties must elect to implement the WAGE\$ program.	Recertified every 6 months with monthly payments
Washington DC	Between \$1,250 and \$3,500/quarter, dependent on job type and hours worked.	Early child care educators in registered programs that work at least 10 hours/week. Lead teachers and OST providers are not eligible. ^{viii}	Supplement is based full/part time status role responsibilities.	OSSE helps programs set up a payroll supplement fund, which then receives OSSE funding to be distributed to eligible staff quarterly.	Quarterly

ⁱ It is crucial to take into consideration the purchasing power of the dollar by looking at the [SARPP Regional price parities by state](#) as well as the [Cost of Living](#) of cities when comparing it to NYS.

ⁱⁱ Main Roads to Quality. (2019). [Main Roads to Quality Lattices](#)

State of Maine Office of Governor Janet T. Mills. (2024). [Mills Administration Issues Pay Increases to Child Care Workers](#)

ⁱⁱⁱ Maine Roads to Quality. (n.d). [Registry Frequently Asked Questions](#)

^{iv} Maine Department of Health and Human Services. (2021). [Child Care Plan: Maine 2021](#)

^v Maine Department of Health and Human Services. (2024). [Compensation Support Payments](#)

^{vi} Child Care Services Association. (2023). [Child Care Wage\\$ Program Supplement Levels](#)

^{vii} Child Care Services Association. (n.d.) [Qualify](#)

^{viii} Office of the State Superintendent of Education. (2022). [Child Care Staff Eligibility, Payment Amounts and Distribution Schedule for the Early Childhood Educator Pay Equity Fund](#)