



Rising to the Challenge: New York’s Commitment to Children Amid Federal Change

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New York's Commitment to Helping Children Exit Poverty

Schuyler Center for Analysis and Advocacy advocates for policies that bring New York State closer to a future in which every child thrives, and every family can access the resources they need. In this brief, we outline opportunities for state action that prioritize and protect children and families in the face of federal threats.

New York has been a national leader in addressing child poverty in recent years. In 2021, New York State government committed to cutting child poverty rates in half in a decade, with attention to significant racial and ethnic disparities in poverty rates. The Governor and state legislators have begun to examine the impacts of budget and policy decisions on child poverty and racial inequity. And progress has been made toward the goal.

Among recent New York State budget actions and policies that directly address child poverty:

- A significant expansion and increase in the state's child tax credit, and restructuring it to direct the largest credit to the lowest income families. The credit is now available to young children under age four who were previously excluded; and the maximum amount of the credit has been increased from \$330 to \$1,000 for young children under four and \$500 for those four to 16.
- The 2025-26 budget included a Baby Benefit for new parents who are eligible for Temporary Assistance to Need Families (TANF) of \$1,800 to offset the many costs families incur upon the birth of a child.
- Universal free school meals were funded in the 2025-26 budget, providing free breakfast and lunch to school children throughout the state.
- A starter investment of \$50 million was made in a housing voucher program.
- Other child poverty-reducing investments include a six-fold increase in state investment to help more families afford child care between 2020 and 2025. And, as of January 2025, young children who are covered by Medicaid or Child Health Plus can remain continuously eligible until their sixth birthday.

Now, in the second half of 2025, federal actions have brought significant headwinds pushing against New York's movement to reduce child poverty. New York can—and must — continue to enact policy and budget decisions that prioritize and protect children and families. Our children are relying upon our leaders to protect them and continue the momentum toward a state free of poverty.

This brief lays out Schuyler Center's policy and budget recommendations for New York State in response to recent federal action.

Federal Action Creates Headwinds to Child Poverty Reduction

The federal government has taken numerous actions in 2025—budgetary, legislative and administrative—to structurally and permanently reduce the federal commitment to states and eliminate or weaken services that New York families rely on in times of need. Further, its aggressive, non-targeted immigration enforcement sweeps, and its budgetary and administrative actions to strip immigrants of even the most basic services, has altered the daily lives of many New York immigrant families, with many afraid to access benefits or services to which they are entitled.

Federal Action Takes Resources from Low-Income New Yorkers and Redirects to Higher-Income Families

In July 2025, the US Congress passed and President Trump signed HR 1, sometimes called the One Big Beautiful Bill Act. Taken together, this bill makes major cuts to lower-income households and increases resources for middle and high-income households. According to the nonpartisan Congressional Budget Office (CBO) “[c]hanges in resources will not be evenly distributed among households. Resources will decrease for households toward the bottom of the income distribution and resources will increase for households at the middle and toward the top of the income distribution” ([CBO, August 11, 2025](#)).

According to the [Urban Institute](#), HR 1’s “changes to the child tax credit (CTC) and other programs, like tax benefits for child care, the adoption tax credit, and tax-advantaged savings accounts for children are projected to increase tax benefits for children in nominal terms by over \$30 billion in fiscal year 2034. These changes will primarily benefit middle- and high-income families. Research shows that investing in children with low incomes is a more effective way to reduce child poverty, improve children’s health, and allow families to invest in their children’s futures.”

Legally Present Immigrant Residents Excluded from Programs Ranging from Health Care to Head Start

Also in July 2025, the federal Department of Health and Human Services (HHS) [issued](#) a proposed reinterpretation of existing law to exclude potentially millions of immigrant residents of the United States — many of whom are lawfully present — from access to essential, federally-funded programs. The list of targeted programs includes, but is not limited to: Federally Qualified Health Centers, Certified Community Behavioral Health Clinics; Community Mental Health Services; Head Start; Health Center Program; Mental Health and Substance Use Disorder Treatment, Prevention, and Recovery; Transition from

Homelessness Grant Program; Child Welfare Kinship Guardianship Assistance and Prevention Services; Family Planning.

Federal Policies Erect Barriers to the Safety Net

These programs were previously available to all, without regard to immigration status, providing vital support to many legally-present non-citizen families. This change in policy marks a stark shift in approach and a critical loss of services for those families, as well as the countless others who may continue to be eligible for these programs but may be deterred from accessing them out of fear, or an inability to produce documents proving their eligibility. Notably, New York — along with 20 other states — [won a temporary order](#) in September 2025 preventing implementation of these proposed changes while a case challenging the legality of this interpretation is litigated.

Recent federal actions, for the most part, do not explicitly target young children, but funding reductions and changes in how programs are financed, restrictions on people in immigrant families and communities, and further complicated administrative processes will result in financial instability for families **and** erosion of the public health, wellbeing, workforce, and economies of entire communities.

Diminished Federal Funding and Aggressive Immigration Enforcement Hurt Children

Below is a very brief overview of recent federal actions that threaten to undermine the economic security, health, and wellbeing of children, along with proposed actions New York State should consider taking to mitigate those impacts.

Supplemental Nutrition Assistance Program (SNAP) - SNAP is our nation's largest anti-hunger program for children. Approximately [2.9 million](#) New Yorkers utilize SNAP benefits to help provide food and nutrition for their families.

HR 1 Changes

- Requires the state to pay between 5% and 15% of the cost of SNAP food benefits; until this change, the federal government covered SNAP benefit costs for eligible enrollees. Also requires states to pay 75% of [SNAP administrative costs instead of 50%](#).
- Expands work requirements: Previous and continuing law requires adults to work/participate in work activity for 80 hours per month in order to receive SNAP for more than three months. HR 1 expands work requirements to newly-include parents/caretakers of children aged 14 and up (previously 18 and up) and adults to age 64 (previously 55). HR 1 limits state flexibility to request waivers for areas with high unemployment, and eliminates the work requirement exemption for veterans, people experiencing homelessness, and youth who recently aged out of foster care.

- Reduces the food allowance for many families.
- HR 1 removes SNAP eligibility from lawfully-present immigrants who have been granted humanitarian protections, including refugees, people granted asylum, and certain victims of domestic violence or sex or labor trafficking. It is estimated that [41,000 immigrants in New York](#) are newly excluded from SNAP due to this change.

Overall, [1.7 million](#) New York families are expected to lose some or all of their nutrition assistance (SNAP).

Opportunities for State Action

- New York should replace current SNAP benefits cards with chip-enabled cards to protect against benefit theft. Theft of SNAP benefits resulted in a loss of up to [\\$80 million in NYS between August 2023 and December 2024](#). Since December 2024, federal reimbursement for victims of SNAP theft is no longer available.
- Following the [CPRAC recommendation](#), create a state food benefit for all income-eligible New Yorkers who are excluded from the Supplemental Nutrition Assistance Program (SNAP) due to their immigration status.
- The State should maximize support for the food pantries, food banks, and others that make up New York’s emergency food network and who will, inevitably, be called upon to meet increased and urgent needs.
- Ensure free school meals implementation is robust so that all New York children can rely on consistent, healthy meals while at school.
- Allocate \$30 million in the FY27 NY Budget in state funding for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to help programs meet increased need and serve more children and families.

Medicaid, CHIP, Affordable Care Act Coverage - Medicaid and the Children’s Health Insurance Program (Child Health Plus in New York) help keep children healthy when they are young, setting them up to thrive. More than [97% of children](#) and 95% of New York residents have health coverage, thanks to the State’s efforts to expand health insurance. HR 1 enacts the largest reductions to Medicaid in its history.

HR 1 Changes

- Eliminates \$7.5 billion in annual federal funding for New York State's Essential Plan, jeopardizing health care coverage for the nearly [1.7 million low- and middle-income](#) New Yorkers who are enrolled in the program, including 450,000 who will lose Essential Plan coverage.
- Puts several new restrictions on mechanisms that most states use to finance Medicaid, resulting in additional cost shifts to states.

- Blocks implementation of a recent rule designed to simplify eligibility and enrollment in Medicaid and CHIP ([Georgetown Center on Children and Families, Park, July 2025](#)).
- Eliminates Medicaid and CHIP eligibility of many lawfully present immigrants, by revising the definition of qualified immigrant, to exclude refugees, asylees, parolees, persons in temporary protected status; pregnant women and children are exempt.
- Cuts Medicaid funding related to payments for health care providers furnishing emergency services to immigrants in expansion states, like New York, and excludes Planned Parenthood from serving as a Medicaid provider.
- Introduces new work reporting requirements for many Medicaid recipients. The Affordable Care Act expanded Medicaid eligibility to low-income adults. For the Medicaid expansion population, HR 1 enacts mandatory work reporting requirements and mandatory six-month eligibility redeterminations (New York currently requires annual renewals). Starting January 1, 2027, mandatory Medicaid work reporting requirements—80 hours per month—for most adults aged 19-64 and will apply to parents of dependent children above age 13. Individuals exempt from work reporting requirements include: parents, guardians and caretaker relatives of dependent children age 13 and under and disabled family members; pregnant people or those receiving postpartum coverage; and former foster youth, among others. As reported by the Congressional Budget Office, Harvard University researchers, and the Urban Institute, work requirements are expected to have little or no effect on employment or hours worked. Work reporting requirements are expected to produce savings when people who are eligible and meeting work requirements become disenrolled from Medicaid due to red tape, and doubling the frequency of required redeterminations risks disenrolling individuals who are still eligible ([Georgetown Center on Children and Families, Park, July 2025](#)).

Opportunities for State Action

- Streamline, simplify, and clarify Medicaid application and renewal to ensure people keep the coverage for which they are eligible.
- Increase funding for navigators/assistors to help make sure people get and retain benefits for which they are eligible.
- Automate enrollment and renewals through ex-parte processes, which is assessing eligibility based on information available to the agency from the case file or data sources to avoid burdensome paperwork and [strengthen program accuracy](#).

Federal Child Tax Credit - Refundable tax credits, including the child tax credit (CTC), are proven to be effective at [reducing child poverty](#) and bolstering economic security when

designed with intention. Until the passage of HR 1, children were eligible for the federal child tax credit if the child had a valid social security number, without respect to their parents' immigration status.

HR 1 Changes

- With enactment of HR 1, in order for a child to be eligible for the CTC, at least one parent must also have a social security number. An estimated [226,000 U.S. citizen and legal permanent resident children](#) in New York are expected to lose their federal child tax credit due to this change, representing a loss of up to \$2,200 per child—a huge financial blow to families.
- HR 1 increased the maximum amount of the child tax credit from \$2,000 to \$2,200 per child, but the legislation did *not* change the phase-in structure of the credit. Thus, families must earn even more money to claim the full amount, meaning that children in the lowest income families receive no credit or a minimal amount. In 2025, a two-parent family with two children must earn at [least \\$41,500 to qualify for](#) the full credit amount. More than 1 in 4 children nationally will be ineligible for the full credit because their family income is not high enough.
- Eliminates the free Direct File tax filing program

Immigration Enforcement - Policies that welcome rather than persecute immigrants [have led to safer cities](#), robust economies, and more taxes collected. It's clear that when immigrants are welcomed, they contribute to our economy and community.

HR 1 significantly increases funding for immigration control and detention, including [funding for Immigration and Customs Enforcement \(ICE\) to hire 10,000 new agents](#), plus 6,000 new Customs and Border Patrol staff, and significant new detention capacity. In recent months, the federal government has undertaken aggressive, non-targeted immigration enforcement sweeps in New York and across the country. While the exact numbers of New York families impacted to date is unclear, we know that more than [2,800 New Yorkers](#) have been detained on immigration charges in just seven local jails in the first seven months of 2025, up from 500 booked in all of 2024. More than [50 children](#) have been detained since January in the New York City area alone.

The threat of heightened immigration enforcement, along with the budget cuts and administrative actions to strip immigrants of many essential services, have altered the daily lives of many New York immigrant families and communities, with many afraid to access benefits or services for which they are eligible, and some so fearful they rarely leave their homes. Child care providers caring for children in immigrant families report children becoming more [fearful, restless, and anxious](#). The trauma and stress that children are

being exposed [to harms children’s mental health and wellbeing](#) and can have lasting impacts on child health and development.

The threat these actions pose to the health and wellbeing of New York children cannot be overstated. Approximately [37% of New York children](#)—more than 1,374,000 children—live in immigrant families. And an estimated [324,400 children across New York State](#) live with an undocumented parent or family member. All are at risk of being directly or indirectly impacted by cuts to benefits, family separation due to immigration detention or deportation, loss of income due to changes in immigration laws and enforcement action, and more.

Opportunities for State Action

- **Increase funding for legal services for children and families, so New Yorkers involved in child welfare and immigration proceedings have timely access to quality legal representation**, which is critical for ensuring families stay safely together and gain access to supportive resources.
- Create a cross-agency task force or liaison for New York families with children who are impacted by immigration enforcement actions to ensure parental rights are respected, and families are kept together whenever possible.
- **Establish the Child and Family Wellbeing Fund** to invest resources in communities that have been historically disenfranchised and overrepresented in the child welfare system. At a moment when many New Yorkers are wary of interacting with government, this fund will help ensure families and communities receive support from trusted community-based organizations.

Impacts of the Government Shutdown: October-November 2025

Like HR 1, the federal government shutdown is disproportionately impacting people with limited resources. The US federal government shut down on October 1, 2025 after federal lawmakers failed to resolve a budget deadlock, halting some federal operations and putting approximately 750,000 employees on unpaid leave. Members of the military received payment for part of October, but funds have not been allocated to keep them whole going forward. For federal workers, military, and contractors not getting paid, this means missed rent and mortgage payments and difficulties paying bills like gas and electric, phone, car payments, child care expenses, and credit card bills. Members of Congress, Supreme Court Justices, federal judges, and most political appointees continue to be paid.

As we write this, in early November 2025, Supplemental Nutrition Assistance Payments (SNAP), also known as food stamps, are delayed or not going out in full for the month of November. This means that 1.75 million New York households or nearly three million people— all of whom are people with very low incomes— have not received SNAP benefits for November. In October, before the shutdown, New York State’s Comptroller reported that “New York State households with children have experienced the highest rates of food insecurity since 2020...roughly one in nine families with children in New York reported they sometimes or often do not have enough to eat due to lack of money or other resources.”

In addition, Head Start programs, which provide education and developmental services for young children in families with very low incomes, are starting to lose funds. Head Start program funding is staggered, with different renewal dates over the course of the year; programs with November renewal dates are not being funded.

Throughout the continued shutdown, Governor Hochul and other New York leaders have called on the federal government to release funds that would allow vital programs, like SNAP, to continue to function. In late October 2025, Governor Hochul announced more than \$105 million in emergency response funding (\$65 million newly allocated and \$41 million in fast-tracked funding) for the state’s emergency food system. While this funding is critical to mitigating hunger, New York’s food banks and food pantries simply cannot fill the tremendous gap left by the loss of SNAP benefits.

The impacts of this shutdown will almost certainly be felt for some time even after it has ended by the households whose benefits have been withheld, the programs that provide those services, and the workforce that has been asked to go weeks, if not months, without pay. Approximately 35,000 New York State residents will fall into poverty in 2025 if SNAP benefits are not paid in November, according to the Center on Poverty and Social Policy at Columbia University.

New York Must Direct Resources to Help Children and Families Thrive

Now, more than ever, is the time for New York to rise to the moment to support children and families. In this time of great upheaval, New York has the opportunity to approach the challenge with creativity—to improve efficiency and build better systems that support our children, families, and communities. The [NYS Budget Director’s October 2025 call letter](#) to state agencies highlights the need to alleviate the regulatory burdens on individuals, businesses, and non-profits that serve to further exacerbate New York’s affordability crisis. State agencies should review agency rules, regulations, or public facing policies and propose repealing or reforming those which are outdated or obsolete. We challenge New York State to create a more efficient and consumer-friendly experience while continuing to protect affordability and public safety.

Opportunities for State Action

- Across all program areas, New York should work to streamline and simplify benefits applications and renewal processes to ensure people can access and keep benefits for which they are eligible.
- Implement ex-parte renewals to alleviate burden on program participants, prevent unnecessary loss of benefits, and strengthen program integrity.
- In order to reduce confusion and avoid unnecessary loss of benefits, NYS should streamline and clarify definitions of “work” for work reporting requirements across programs, including what counts as employment, training, job search/readiness, volunteer/community service, or caring for person with disability.
- Fund navigators to help people access and retain benefits for which they are eligible.
- Support local social service districts and community-based organizations in maximizing eligibility.
- New York’s child tax credit is inclusive of immigrants filing taxes with an individual tax identification number, rather than a social security number. New York should continue to build upon the recent expansion of the child tax credit with expanded tax preparation assistance, making sure all who are eligible receive the credit, and continuing to increase the amount of the credit.
- Provide information and resources about the impact of federal actions on state programs serving children.
- Listen to and build policy around data and lived experience.
- Finally, the State should work to ensure that we maximize all federal funding, so that not one federal dollar is left on the table

Closing

As noted above, these federal program and funding changes disproportionately hurt low-income children, families, and communities. They also signal an important, perhaps monumental, restructuring of the relationship between federal and state government and create large funding gaps in state budgets.

New York has long been a leader when it comes to implementation of policies that address systemic inequities and contribute to the conditions that build healthy and thriving children, resourced families, and safe and welcoming communities. Our children need New York's leadership on support for families, even as the federal government pulls support away. The time is now.

About the Schuyler Center for Analysis and Advocacy

For more than 150 years, the Schuyler Center has led advocacy rooted in compassion, evidence, and belief that government should work for the greater good. Schuyler Center's work acknowledges the historic inequities woven throughout shared systems, and advocates for public policies and investments that seek to address those inequities while improving health, welfare, and human services for all New Yorkers, with a focus on children and families experiencing poverty.

Schuyler Center's advocacy has advanced policies that reduce child poverty, build a universal child care system, promote child health and wellbeing, and transform the child welfare system.

Schuyler Center achieves its goals through creative and detailed data and policy analysis, coalition building, and advocacy with elected officials, agency executives, policymakers, and stakeholders. Learn more at <https://scaany.org>.