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Impact to Benefits Questions and Answers

What is the deadline to apply for this grant?	You can apply until Tuesday, November 30, 2021 at 11:58PM by going to: https://ocfs.ny.gov/main/contracts/funding/COVID-relief/childcare-stabilization .
Can a provider use the funds to help parents pay for their child care services?	There are eight categories that funds can be used for. To view these options for use of funds to go: https://ocfs.ny.gov/main/contracts/funding/COVID-relief/childcare-stabilization/#options .
How might grants impact eligibility for child care providers who live in NYCHA housing or Section 8?	Just like NYSHCR, NYCHA considers Stabilization funds to be sporadic or a non-recurring temporary source of funds. For that reason, it would not count toward the calculation of rent payments, as it would not be considered annual income.
Is there a possibility of one or more counties not covered here to count this as income?	It is possible that there are other PHAs that do not take the same stance as NYSHCR and NYCHA. While NYSHCR and NYCHA cover much of New York State there are other areas of the state covered by other PHAs. The NYSHCR and NYCHA stance is backed by HUD, who has already indicated that Stabilization funds are sporadic income. Should you come across a PHA that takes a different view of Stabilization Funds or is not aware of this information, we ask that you reach out to OCFS who can help facilitate a discussion.
What is PHA?	PHA stands for Public Housing Authority.
Would it be possible to get a statement in writing from NYCHA that stabilization funds will not count as income for purposes of NYCHA or Section 8 eligibility? Providers are understandably very cautious about doing anything that might threaten their eligibility for this benefit and are looking for assurance in writing.	NYCHA considers this to be a non-recurring, temporary source of funds, in which case it would not count towards the calculation of rent because it is not "annual income."
Are there tax implications for homeowners who apply for this grant?	If you have questions on how to apply this grant to eligible expenses, the Child Care Resources and Referral Agencies (CCR&Rs) have Child Care Stabilization Specialists who can assist you and provide you with resources for calculating expenses.
Can we use the funding to pay for any subsidies our families have to pay?	You can provide relief from copayments and tuition payments for families enrolled in the program, to the extent possible and prioritize such relief for families struggling to make either type of payment.

Are Stabilization funds considered income for low-income housing, subsidized housing or Mitchell-Llama housing?

Yes. Mitchell-Lama and LIHTC projects overseen by NYSHCR would not count the grant as income.

What reporting is going to be requested for how we use the funding?

Federal regulations require all recipients of federal funds to keep financial documents for five (5) years. You will only be required to produce the receipts if your program is selected for an audit to provide evidence of expenditures, as indicated in your grant. Please keep verification of expenses for up to five (5) years in the event your program is randomly selected for an audit.

If an agency receives Stabilization funds, will it have any impact on my family's Medicaid coverage?

No, if your agency's grant is used for agency expenses, there will be no change to your Medicaid eligibility status.

How are other NYS of Health insurance programs impacted by the Stabilization Grant, including Child Health Plus and the Essential Plan?

NY State of Health uses the same budgeting methodology of self-employment income for all health insurance affordability programs. Therefore, like Medicaid, Child Health Plus and Essential plan would allow business expenses to offset this increase income.

Would redetermination be based on 2022 income that includes the child care grant? i.e. Could someone be determined ineligible for 2023 Medicaid based on this stabilization grant funds received in 2022?

Medicaid determinations are based on current income, so funds received the previous year would not impact current eligibility.

We will have received all the stabilization funds in 2021. We will not have made all the improvements until 2022. How does that affect our taxes for 2021?

You should consult your tax professional about how to count Stabilization funds. OCFS will be issuing a 1099 for all Stabilization recipients. If you need assistance finding a tax professional, please contact your CCR&R.

Will OTDA be issuing their directive on the impact of stabilization funds on temporary assistance or SNAP benefits prior to the November 30th application deadline?

The guidance would likely not be available prior to the November 30th deadline. If funds received through the child care stabilization grant causes a household to be ineligible for SNAP due to excess income, the household can reapply at any time, especially if their circumstances have changed.

When applying for SNAP, can you issue a list of business expenses that are already included in the eligibility formula as someone who is self-employed?

Households already receiving SNAP with questions about what expenses have already been included in the calculation of their net income should contact their social services worker. For the calculation of self-employment income in a SNAP budget, "Allowable costs of producing self-employment income" include but are not limited to: Telephone, Supplies (including for example, food for child care participants), Heat/Utilities, Advertising, Interest, Insurance, Bank Fees, Repairs, Business Taxes, Business Vehicle Expenses, Business Rent (property or equipment), Labor Costs.

The following expenses **are not considered allowable**: Net losses from previous periods; Federal, State, and local income taxes; Money set aside for retirement purposes; work-related personal expenses (such as travel to and from work); Depreciation; Garnishments.

Would the grant funds be considered household income if the child care is incorporated?

You should consult your tax professional about how to count Stabilization funds. OCFS will be issuing a 1099 for all Stabilization recipients. If you need assistance finding a tax professional, please contact your CCR&R.

Will providers receive a 1099 at the end of the year? Or it is optional to show as an income since it's a grant?

Providers will receive a 1099 for the purposes of completing their taxes. There is more information available on the Stabilization Grant FAQ, which is available in 12 languages and can be found here:

<https://ocfs.ny.gov/main/contracts/funding/COVID-relief/childcare-stabilization/>

If child care providers have applied for the Stabilization grant already and now knows that it may affect their benefits, can they withdraw from receiving the remaining balance of grant? If they have not spent the funds as of yet, can they return it so that it will not impact them?

If you have any concerns about how Stabilization funds will impact your benefits, we encourage you to speak to our partner organizations and agencies about the impact to your benefits before considering withdrawing from the program.