

Closing the 0-2 Gap

Universal Childcare in New York City



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Closing the 0-2 Gap

Executive Summary

Our housing shortage is not the only affordability crisis facing New Yorkers – families with children under five are also facing a childcare affordability crisis that is pricing them out of our city, with serious implications for our economy, communities, and social fabric.

Over 441,000 children under five reside in New York City, and 80% of families find the cost of childcare – particularly for infants and toddlers – to be unreasonably high. Families often pay a fifth of their income in childcare costs.^{1,2}

High-quality early childcare and education in a predictable and safe environment, as well as early intervention services where needed, foster and support critical cognitive, social and emotional growth for young children during one of the most important times in their development.^{3,4,5,6} But despite strides made with Pre-K and 3-K for All, only 24% of children under five currently benefit from public childcare, leaving most families struggling to find affordable options. These challenges disproportionately affect single-parent families, essential workers, low and middle-income families, reducing workforce participation and leading to economic and social strain, and is even causing families to leave the city altogether.

It's time to provide support for New York families with young children. It's time for universal childcare.

To achieve truly universal care, we must rethink childcare in New York City. We are calling for:

- 1. The creation of Universal Through 2 (U -> 2), a program that would expand the current universal Pre-K and 3-K to children under three**
- 2. The creation of the NYC Newborn Support program**
- 3. Ensuring that our childcare system meets the needs of all families and providers**

1 <https://cccnewyork.org/press-and-media/majority-of-nyc-toddlers-eligible-for-affordable-child-care-arent-enrolled-report-finds/#:~:text=The%20data%20also%20show%20that,third%20were%20in%20public%20programs>

2 U.S. Census Bureau, American Community Survey 5-Year Estimates, Table B09001 (2023); retrieved from <https://data.census.gov/table/ACSDT1Y2023.B09001?q=B09001:%20Population%20Under%2018%20Years%20by%20Age&g=050XX00US36005,36047,36061,36081,36085>

3 <https://www.americanprogress.org/article/quality-101-identifying-the-core-components-of-a-high-quality-early-childhood-program/>

4 <https://www.ccf.ny.gov/files/5216/0407/9617/ELG-2020.pdf>

5 <http://powertotheprofession.org/wp-content/uploads/2020/03/Power-to-Profession-Framework-03312020-web.pdf>

6 <https://thechildrensagenda.org/wp-content/uploads/2023/02/Fact-Sheet-How-Early-Intervention-Works.pdf>

For these programs to work, they will require ensuring that every type of childcare setting can participate in U -> 2, 3-K for All, and Pre-K for All; increasing pay rates for providers to meet the cost of care; creating loan forgiveness programs for childcare workers and special education workers; creating a centralized City agency for 0-5 year olds; improving connections to early intervention supports; creating citywide peer navigator programs for parents; expanding Promise NYC, and more. Childcare providers also care for children beyond age 5, and these recommended investments can help contribute to improving the childcare system overall.

Initiatives such as Pre-K for All and expanded 3-K programs have set national standards but still leave a significant gap, particularly for children under 3. The lack of accessible, quality childcare for this age group poses not only a developmental setback for the children but also a substantial barrier to workforce participation for parents, notably affecting the city's economic output significantly. Thanks to the exceptional advocacy from New Yorkers United for Childcare, the Advocates for Children of New York, All Our Kin, Citizens Committee for Children of New York, 5Boro Institute, the Chinese American Planning Council, Committee for Hispanic Children and Families, the Day Care Council of New York, WhedCo, the Schuyler Center for Analysis and Advocacy, the Bridge Project, ECE on the Move, United Neighborhood Houses, YMCA of New York, Caring Across Generations, and many more, a path forward on how we achieve a fairer, more universal and effective early childcare system has been charted. We can and must do better for these families, educators, and care workers.



Closing the 0-2 Gap

Overview

We are in the midst of an affordability crisis in New York City. It's not just low-income families who are getting priced out, but nurses, bus drivers, teachers and other middle-class New Yorkers as well.

“only 24% of New Yorkers under five years old benefit from public childcare like Pre-K and 3-K for All”

But our affordability crisis is not confined to soaring rents and housing insecurity. It's also becoming prohibitively expensive to raise a family here in New York.

Over 441,000 children under five reside in New York City today.¹ For 80% of these families, the cost of childcare, especially for infants and toddlers, is simply out of reach.^{2,3,4,5} In Manhattan, home-based care costs \$11,600 a year for a toddler, with center-based care surpassing \$18,000. Costs for infants are even higher, with many Manhattan families paying over \$24,000 a year in infant childcare. The weight of these costs are being felt by families citywide.⁶ Citizens' Committee for Children reports that a median-income family with one infant and one pre-school aged child might pay as much as 43% of their income for center-based childcare and 36% of their income for home-based care.⁷

As costs soar, many parents struggle to access publicly supported childcare due to eligibility requirements, limited funding, difficulty navigating applying, and limited available providers. As a result, only 24% of New Yorkers under five years old benefit from public childcare like Pre-K and 3-K for All, as well as special subsidies and programs that allow qualifying children aged 0-2 to access care.⁸ And even pre-pandemic, at least seven out of ten children under the age of five lived in “childcare deserts,” neighborhoods without enough childcare providers to adequately meet community needs or demands.⁹

1 U.S. Census Bureau, American Community Survey 5-Year Estimates, Table B09001 (2023); retrieved from <https://data.census.gov/table/ACSDT1Y2023.B09001?q=B09001:%20Population%20Under%2018%20Years%20by%20Age&g=050XX00US36005,36047,36061,36081,36085>

2 <https://fiveboro.nyc/childcare/>

3 <https://s3.amazonaws.com/media.cccnewyork.org/2023/10/CCC-From-Birth-to-Age-12-Child-Care-Affordability-and-Cost-Burden.pdf>

4 <https://cccnewyork.org/press-and-media/majority-of-nyc-toddlers-eligible-for-affordable-child-care-arent-enrolled-report-finds/#:~:text=The%20data%20also%20show%20that,third%20were%20in%20public%20programs>

5 <https://cccnewyork.org/data-publications/early-care-and-education-in-nyc/>

6 <https://dol.ny.gov/child-care-new-york-state>

7 <https://s3.amazonaws.com/media.cccnewyork.org/2023/10/CCC-From-Birth-to-Age-12-Child-Care-Affordability-and-Cost-Burden.pdf>

8 <https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/MMR-2024-Cover.pdf>

9 <https://robinhood.org/news/new-robin-hood-report-nycs-child-care-system-in-dire-need-of-reform/>

The impact of inaccessible or unaffordable childcare also limits parents' ability to care for their families and fully participate in the workforce.^{10, 11, 12, 13} To ensure their children have needed care, many families are forced to pay high-out-of-pocket fees or make difficult financial choices, such as cutting hours at work or leaving the workforce entirely.^{14, 15, 16}

The impacts are being seen across our neighborhoods. Families are leaving the city or choosing to not have children because of the dual crisis of housing and care affordability, with our city having lost 110,000 children under five over the last decade.^{17, 18} Young New Yorkers of color are especially disappearing from our city – even before the pandemic – with New York City experiencing a nearly 20% decrease in its population of Black children and teenagers between 2010 to 2019.¹⁹

For families who do raise young children here, disruptions to care have an enormous impact on their lives and on our local economy. New York City businesses lose \$1.18 billion annually from working parents' absences (\$720 million) and turnover (\$460 million) due to disruptions in childcare.²⁰ In 2022 alone, the city saw at least a \$23 billion decrease in economic output, \$5.9 billion in lost disposable income, and \$2.2 billion less in tax revenues due to parents leaving New York or cutting back on hours to take care of their children in the absence of childcare.²¹

New York has faced this childcare crisis before, and responded in revolutionary ways. In 2014, the City launched Pre-K For All, a visionary program that set a new national standard for early childcare and guaranteed every child who wanted one a seat in pre-kindergarten, for free.²² In 2017, that program was expanded to three-year-olds in certain neighborhoods, and today, any 3- or 4-year-old who wants a seat has been promised they would get one.²³ Over 103,000 young people citywide are currently participating in these programs combined.²⁴ There are flaws, shortcomings, and challenges. But all told, this model has been a success – one that we can improve upon and expand.

10 <https://eig.org/families-exodus/>

11 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/63c744b58869796dc9b-ce8f0/1674003646759/NYC%27s+Unsettled+Covid-19+Era+Labor+Market_Parrott+%26+Moe+%28CNCA%29.pdf

12 <https://www.nytimes.com/2023/09/11/nyregion/child-care-nyc.html>

13 <https://www.parents.com/americans-arent-having-kids-because-of-cost-8601528>

14 <https://cccnewyork.org/child-care-workforce-attachment-and-cccs-persistent-role/#:~:text=The%20city's%20own%20data%20likewise,for%20being%20out%20of%20work>

15 <https://usafacts.org/data-projects/childcare-work-absences>

16 https://robinhood.org/wp-content/uploads/2024/09/ECPT_-Poverty-Tracker_Childcare-Distrutions.pdf

17 <https://eig.org/families-exodus/>

18 <https://data.census.gov/table/ACSST1Y2013.S0101?q=new%20york%20city>

19 <https://www.nytimes.com/2023/01/31/nyregion/black-residents-nyc.html>

20 https://robinhood.org/wp-content/uploads/2023/07/POVERTY_TRACKER_REPORT26.pdf

21 <https://edc.nyc/sites/default/files/2023-03/Childcare-Toolkit.pdf>

22 <https://www.schools.nyc.gov/enrollment/enroll-grade-by-grade/pre-k>

23 <https://www.nyc.gov/office-of-the-mayor/news/258-17/mayor-de-blasio-3-k-all#/0>

24 <https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/MMR-2024-Cover.pdf>

Closing the 0-2 Gap

Universal Care for Every Child will Require A New Focus and System for 0-2 Year Olds

Childcare in New York City Today

As impactful as the 3-K and Pre-K for All models have been, we are still leaving infants, toddlers, and their families behind.

Infant and toddler care is part of a delicate stage of rapid physical, cognitive, and emotional growth and development for young children and their parents who care for them. There are far fewer providers for infants and toddlers, with existing providers managing strict classroom ratios, stringent rules about who can care for them in formal care settings, and other safety requirements.^{25, 26} However, current market rates, which the State uses to set voucher reimbursement rates, do not accurately reflect the true cost of care, with providers often struggling to cover the actual costs of the services provided and pay workers a living wage as a result.²⁷ There are also more limited public supports for parents seeking care, and many families are forced to navigate high out of pocket costs.²⁸ Parents in need of financial support must rely on identifying and accessing subsidies and vouchers to pay for care.²⁹ Many are unaware of these resources or find the extremely complicated application process daunting, and most do not qualify. In addition, there is no comprehensive, up-to-date website to learn about and easily apply for the types of care and financial supports available, leaving many families struggling to understand or access culturally responsive care that also works for their schedules and needs.³⁰

There are various types of early childcare programs available for children aged 0-5. Many families use center-based care for their children, run by nonprofit and private providers in brick-and-mortar settings in the community.³¹ Many public schools also offer childcare programs, primarily for 3- and 4-year-olds.³² And often times, families seeking infant and toddler care turn to home-based childcare services, like family childcare and certain programs that allow qualifying families to hire relatives,

25 <https://www.nyc.gov/assets/doh/downloads/pdf/dc/group-child-care-center-compliance-guide.pdf>

26 <https://ocfs.ny.gov/programs/childcare/regulations/>

27 <https://static1.squarespace.com/static/64989b0dc1b2fa02e6188180/t/673c98333262f44fce460451/1732024373382/NYUC+UPC+Full+Report.pdf>

28 <https://www.schools.nyc.gov/enrollment/enroll-grade-by-grade/infant-and-toddler>

29 <https://www.schools.nyc.gov/enrollment/enroll-grade-by-grade/infant-and-toddler>

30 <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6841913&GUID=7821C2F7-875D-48C9-8BFC-C6A8BE3A9679&Options=&Search=>

31 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

32 <https://www.nyc.gov/site/doh/business/permits-and-licenses/child-care-school-based.page>

friends, and neighbors using special subsidies (known as “legally exempt but regulated care”).³³ Families who choose these services report doing so because they offer extended and flexible hours closer to home, smaller class sizes, programs for siblings in the same setting, and culturally and linguistically responsive practices, especially in neighborhoods with limited center-based options.³⁴ But families often do not know about these options, or how to qualify for financial support to access them.

Further, home-based providers struggle with administrative challenges and operational constraints that limit their ability to get paid adequately for their care and remain a part of the childcare system. Family childcare providers have very limited ability to participate in Pre-K for All in New York City and generally must be part of a family childcare network to be able to participate in 3-K for All, making the model financially and administratively difficult for providers to sustain while reducing publicly funded childcare options for families.³⁵ These issues also contribute to deeply low wages for childcare workers overall, with many on public benefits and family childcare staff earning an estimated median hourly wage of \$10.61.^{36, 37} While those constraints limit the number of family childcare options available, the City has simultaneously lost thousands of legally exempt but regulated childcare providers, mostly due to lack of awareness by parents and administrative burdens providers face due to getting paid.^{38, 39}

Home-based childcare services represent over a third of the regulated childcare seats in our city, and are overwhelmingly immigrant and women of color.⁴⁰ But due to the issues they face, between 2015 to 2023, New York City lost at least 1,200 home-based providers, resulting in a loss of jobs for largely minority childcare workers and a drop of at least 10,700 childcare seats in home-based settings alone.^{41, 42} Center-based providers have experienced similar administrative and workforce challenges and hundreds of centers closed in the first year of the pandemic alone.⁴³ These pressures have resulted in many home-based and center-based providers leaving childcare and potential providers not joining the field, extreme poverty among existing childcare workers, childcare deserts increasing

33 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

34 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

35 <https://www.schools.nyc.gov/learning/student-journey/grade-by-grade/early-childhood-learning/family-child-care>

36 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

37 <https://fiveboro.nyc.gov/childcare/>

38 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2015-DCCS-Fact-Sheet.pdf>

39 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2023-DCCS-Fact-Sheet.pdf>

40 https://robinhood.org/wp-content/uploads/2024/09/ECPT_-Poverty-Tracker_homebased-Childcare.pdf

41 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2015-DCCS-Fact-Sheet.pdf>

42 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2023-DCCS-Fact-Sheet.pdf>

43 <https://www.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Childcare-Plan.pdf>

and a serious capacity challenge for the childcare industry overall.^{44, 45, 46, 47, 48}

In addition, for children under 3 with early signs of developmental delays and disabilities, getting comprehensive early intervention services are an important wraparound support

for their growth alongside childcare services.⁴⁹ However, despite federal mandates for supportive services for children with disabilities, parents often struggle to get their children evaluated for and connected to the full host of early intervention services their children qualify for in a timely fashion, and in their home and childcare settings.⁵⁰ As a result, only 56% of New York City's children received their full package of EI services within 30 days (the legal deadline), with over 11,000 children citywide not receiving mandated services on time.⁵¹ Further, one in three young children with learning and physical disabilities was turned away from a center- or home-based program because the provider could not offer enough support.⁵² Lack of connections to services particularly affect children of color throughout their early years, with white children being more likely to receive all their EI services than Black or Latinx children, and Black and Asian children being the least likely to be identified for preschool special education.^{53, 54}

“of the estimated 273,400 infants and toddlers in New York City, a paltry 10,441 receive public support for their childcare needs.”

As a result of these myriad challenges, of the estimated 273,400 infants and toddlers in New York City, a paltry 10,441 receive public support for their childcare needs.^{55, 56} The challenges of accessing care faced by families, and the challenges for providers in offering that care, cannot continue to grow.

44 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2023-DCCS-Fact-Sheet.pdf>

45 <https://comptroller.nyc.gov/reports/nyc-under-three-a-plan-to-make-child-care-affordable-for-new-york-city-families/#:~:text=In%20New%20York%20City%2C%2093,child%20care%20is%20woefully%20inadequate.>

46 <https://www.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Childcare-Plan.pdf>

47 <https://storymaps.arcgis.com/stories/94a5430872df45d1ab642fbaa8aac77d>

48 <https://nysccf.maps.arcgis.com/apps/webappviewer/index.html?id=b0281149b595404e9d1c26fbef8b9735>

49 <https://www.cdc.gov/ncbddd/actearly/whyActEarly.html>

50 <https://thechildrensagenda.org/wp-content/uploads/2023/02/Fact-Sheet-How-Early-Intervention-Works.pdf>

51 https://a860-gpp.nyc.gov/concern/parent/6395wb911/file_sets/3t945v41h

52 <https://newyork.edtrust.org/poll-new-york-city-residents-overwhelmingly-support-government-investment-in-early-childhood-programs/>

53 <https://www.chalkbeat.org/newyork/2022/1/20/22892383/pre-k-for-all-special-education-disability/>

54 https://a860-gpp.nyc.gov/concern/nyc_government_publications/1544bs15f?locale=en

55 <https://data.census.gov/table/ACSST1Y2023.S0101?q=new%20york%20city>

56 <https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/MMR-2024-Cover.pdf>

Recommendations

It's Time for Universal, Free Care for Every Child, Including Those Under Three Years Old. It's Time for U -> 2

Key Recommendations

- **Ensure that every type of childcare setting can participate in U -> 2, 3-K and Pre-K**
- **Increase pay rates for providers to meet true cost of care, and ensure providers are paid on time**

The City should expand the Pre-K and 3-K for All programs to every child 6 weeks to 3-years-old. This program would build upon Pre-K and 3-K for All's greatest strengths, allowing parents to sign their child up for completely free childcare and without means tests. Additionally, this program would streamline the cumbersome, complicated, and overwhelming application processes that many parents contend with today into one simple universal portal.

Like Pre-K and 3-K for All, U -> 2 would mean that every child who wants a "seat" would be entitled to one. Like Pre-K and 3-K, this care would be free. Like Pre-K and 3-K, this program would transform the lives of young people and families, removing an enormous cost burden as well as ensuring that all young people have access to the care they deserve and need.

For providers, it is often unsustainable to provide affordable, quality infant and toddler childcare without the ability to blend it with care for older children, which is typically less expensive due to the less restrictive regulations and less intense care needs associated with children 3 and older.⁵⁷ A universal childcare program that includes infants and toddlers, through pre-K, would give providers the opportunity to balance the cost of providing childcare and retain families as they age.

With nearly 275,000 infants and toddlers citywide, this program will require vastly expanding and improving the city's childcare infrastructure.⁵⁸ We must be prepared to create at least 100,000 more slots for these young people. This will require ensuring that every home- and center-based provider is able to participate in the program and is paid at a level that aligns with the cost of care for children across different critical stages of development.

We must also ensure providers are properly paid and can retain staff. Public reimbursement rates for infant and toddler care do not adequately take into account the range of factors needed to provide

57 https://fiveboro.nyc/wp-content/uploads/2024/09/Report_Investing-in-Families-and-Our-Future.pdf

58 U.S. Census Bureau, American Community Survey 5-Year Estimates, Table B09001 (2023); retrieved from <https://data.census.gov/table/ACSDT1Y2023.B09001?q=B09001:%20Population%20Under%2018%20Years%20by%20Age&g=050XX00US36005,36047,36061,36081,36085>

safe and quality care for our youngest children.^{59, 60} Until pay for community-based teachers, aides, directors, and staff achieves parity and comparability with the Department of Education (DOE), hiring and retaining the staff that will be needed for a truly universal system will remain difficult.

One way to achieve this could be by ensuring that all early child care and education providers are under comparable contract terms as DOE Pre-K and 3-K for All providers today, with additional operational costs unique to home-based childcare, center-based childcare, and preschool special education incorporated, while also raising those rates to ensure that they meet the true cost of care as part of the creation of U -> 2.

The City must also invest in its administrative staffing to process contract payments and automate contract services where and when possible while ensuring sufficient operations staffing. It should also work with family childcare and legally exempt but regulated providers to ensure they can participate in U -> 2, 3-K and Pre-K seamlessly while improving contracting, licensing and payment processes, retaining quality checks while ensuring providers are paid properly and on time. These efforts will pave the way for a more seamless reimbursement process for all providers without reliance on bridge loans for anything other than emergencies.

59 <https://ocfs.ny.gov/main/policies/external/2024/lcm/24-OCFS-LCM-22-Att-A-CCA-Market-Rates-2024.pdf>

60 <https://static1.squarespace.com/static/64989b0dc1b2fa02e6188180/t/673c98333262f44fce460451/1732024373382/NYUC+UPC+Full+Report.pdf>

Recommendations

Create the NYC Newborn Support Program

Key Recommendations

- **\$1000 for the first month, then \$500 each month for 12 months**
- **Qualifying families at 200 percent of federal poverty line**

The U -> 2 program will be revolutionary, fundamentally changing how we provide access to affordable childcare for the youngest New Yorkers and helping to support families in the early weeks, months and years of a child's life. But for some families, we must go even further to ensure that they have the resources and support they need for the earliest days of a new child's life. For them, we must create the NYC Newborn Support program, \$1,000 up front and \$500 monthly for 12 months, accessible between 6 months before due date and 12 months after birth.

The health costs associated with pregnancy, childbirth and post-partum care average a total of \$18,865, with average out of pocket payments of at least \$2,854.⁶¹ For many, these costs mean making choices that threaten the stability of the family, or even the health and well-being of the parent or child.

By providing qualifying families with unrestricted financial support for one year, some of the financial stresses experienced by vulnerable families can be relieved. Programs across the country, including in Jackson, Mississippi, Philadelphia, Pennsylvania, Flint, Michigan, and the Bay Area in California have shown the benefits of providing families with cash assistance, from improving food security and helping families get into more stable housing, to improving maternal and infant health outcomes.⁶²

This financial support would be a desperately needed investment in young families, especially for low-income New Yorkers across the City, and could be used for costs associated with newborn and infant care. In December 2024, the Council under the leadership of Speaker Adrienne Adams and Council Member Crystal Hudson lead the way by announcing a pilot program guaranteeing financial assistance to participating parents in New York City. This is an important pilot program, and we believe will not only make a difference in the lives of these families, but should be expanded to all parents citywide.

61 <https://www.healthsystemtracker.org/brief/health-costs-associated-with-pregnancy-childbirth-and-postpartum-care/>

62 <https://www.businessinsider.com/bay-area-marin-county-basic-income-housing-food-ubi-gbi-2024-6>

Recommendations

Ensuring That Our Childcare System Properly Supports Families and Providers

Creating a truly universal childcare system will not just require creating a program for children 0-2 years old. It'll require completely overhauling our early childcare infrastructure for all children under 5 while ensuring critical policy changes have been made to stabilize and transition our childcare system to universality. Childcare workers also provide care for children beyond age 5, and by acknowledging the challenges and investing in solutions, we can create a more robust and equitable early childcare system while paving the way towards transforming our city's overall childcare infrastructure across ages.

Create the Department of Early Childcare, Education, and Intervention

Currently, childcare is regulated by a patchwork of agencies that oversee different ages, funding sources, and requirements for regulating different childcare providers.⁶³ This creates significant administrative strain on providers trying to offer publicly supported childcare, resulting in delays in contract registration, payments, background checks, and more. A successful U -> 2 program needs one centralized agency, covering all childcare from 0-5.

By creating one centralized early childcare, education and intervention agency for both parents and providers, the City could vastly streamline access to and simplify the provision of early childhood education, early intervention and preschool special education. Council Member Jennifer Guttierrez's Intro 261-2024 is an important step in the right direction, marking a good place to start for creating a more efficient and streamlined early childcare system.

While DOE is rightfully responsible for all public school students, it's time that we organize our City administration to properly prioritize and support the earliest years of a child's life and parents as they navigate early childhood challenges. This one centralized agency would be responsible for supporting young families, including aggressive outreach and education for parents on the importance and availability of childcare; ensuring that childcare options are convenient and meet the needs of every child; guaranteeing that every child has access to early intervention services and special education support if needed; and more. This agency would also be responsible for ensuring that providers get contract registrations and payments on time, center- and home-based childcare providers receive the unique supports their models require, and that staff are able to quickly and efficiently complete background checks. Cities like Washington, D.C. and San Francisco have well-resourced departments and agency divisions dedicated to and empowered to manage early childcare funding, contracts, and oversight with great success.⁶⁴

⁶³ See Appendix.

⁶⁴ <https://sfdec.org/>

Ensure the City can take full advantage of federal dollars to pay for childcare and easily connect families to care by eliminating unnecessary restrictions on subsidized seats

For universal childcare to work, we must be able to easily blend our city's investments with State and federal subsidies and ensure families can quickly be connected to care. Families on subsidized care currently experience a series of restrictions that keep them from being able to access care, such as wage and work hour requirements.⁶⁵ These keep families from being able to access subsidized childcare and force the City to cover those care needs elsewhere via programs like our 3-K and Pre-K for All services. With the passage of recent State legislation granting counties the option to implement this change, New York City should quickly join counties like Monroe County, NY in implementing presumptive eligibility for families using federal childcare subsidies. Under presumptive eligibility, after meeting a set of minimum established requirements demonstrating their likelihood of eligibilities, families could then enroll their child in care programs while agency staff complete the final required paperwork to confirm eligibility within sixty days, as is allowed under federal policy. The State should end the outdated practice of linking childcare subsidies to work hours and ensure that all eligible families can access public support for their childcare. Finally, the State must eliminate the minimum wage floor for subsidized childcare.⁶⁶

Improve connection to early intervention and preschool special education services

For young people experiencing developmental delays or disabilities, early intervention and preschool special education services are critical for ensuring that they grow and learn. Though early education services are federally mandated, many children are not getting those services due in part to limited administrative staff managing outreach and screenings, and connecting them to care. The City should vastly expand the number of early intervention and preschool special education administrative staff to help parents navigate these enrollment processes, speed up the IFSP and IEP process, and work with the State to ensure preschool special education classrooms are brought online quickly year-round.⁶⁷ ⁶⁸ The Departments of Health and Mental Hygiene (DOHMH) and Education should also commit to an ongoing outreach campaign specifically to educate families about the benefits of early intervention and preschool special education as well as how to get evaluated for enrollment in both.

Further, understaffing of key roles in social work, occupational therapy, physical therapy, speech therapy, service coordination and more cause additional evaluation, case management, and care delays for young New Yorkers.⁶⁹ The State should dramatically increase reimbursement rates for early intervention providers and service coordinators, with increased rates or rate add-ons to cover the

65 https://fiveboro.nyc/wp-content/uploads/2024/09/Report_Investing-in-Families-and-Our-Future.pdf

66 <https://www.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Childcare-Plan.pdf>

67 https://advocatesforchildren.org/wp-content/uploads/library/not_yet_for_all_psse_data_report.pdf

68 <https://www.nydailynews.com/2024/08/05/nyc-has-yet-to-apply-for-more-preschool-special-education-classes-for-kids-with-disabilities/>

69 <https://thechildrensagenda.org/wp-content/uploads/2024/01/Early-Intervention-Workforce-Pipeline-Brief-2-23-2024.pdf>

higher costs of in-person service delivery by providers. The State should also work with the City and local providers to define the proper rates for providing early intervention services. In addition, the DOE must hire more social workers, occupational therapists, physical therapists, and speech therapists to work directly for the public school system, rather than relying on outside agencies to provide these services. The DOE should also stagger appointments for these providers to ensure that students starting preschool special education services in January each year have the same opportunity to access these services as students starting at the beginning of the school year.

Tie background checks to individual teachers rather than locations, and eliminate the backlog of required checks

All operators, employees and volunteers in New York State licensed and regulated childcare programs are subject to comprehensive background checks. While this is a necessary requirement, the process for completing background checks can have significant, and at times, months long backlogs, keeping many qualified staff from providing care.^{70, 71} While they wait for their background check to clear, OCFS rules allow prospective staff to work or volunteer under the supervision of a staff member with a cleared background check.⁷² However, requiring providers to rely on staff to supervise other staff while background checks are cleared lowers the number of employees who can actually provide care to children or cover other needed roles. As a result, educators who transfer classes, even within the same organization, must get a new background check completed. Background checks should be tied to the individual teacher, not to the location in which they teach.

Ensure quality care by recruiting and retaining new childcare, early childhood, and preschool special education workers

The City and State should take lessons from the Early Childhood Career Ladder program, a 2017–2022 city-level program that provided over 160 staff and educators at community-based programs with financial assistance for early childhood education coursework at any NYS accredited college or university in NYC (up to the rate of tuition at CUNY) in exchange for a two-year commitment to work in community-based childcare.⁷³ The City should develop a similar, ongoing program.

Further, to help attract more specialists to public service, the State should create a student loan forgiveness program to attract new providers willing to provide in-person early intervention services in health professional shortage areas. A similar program should also be offered to students and recent graduates interested in preschool special education roles with New York public schools.

70 <https://thechildrensagenda.org/wp-content/uploads/2024/01/Early-Intervention-Workforce-Pipeline-Brief-2-23-2024.pdf>

71 <https://www.chalkbeat.org/newyork/2020/1/21/21121780/background-check-backlog-leaves-nyc-students-without-after-care-special-education-teachers/>

72 <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6345793&GUID=84ECB6D5-9B51-40B5-945E-3DCF51E14048&Options=&Search=>

73 <https://drive.google.com/file/d/1ZB1Up20I7dPMHNx36ySQ8UQgk1bWHIgF/view>

Create a citywide childcare and early intervention navigator pilot program for peer caregivers to support families in connecting with care

Early childhood collaboratives like the Northern Manhattan Early Childhood Collaborative, in partnership with New York-Presbyterian Hospital, have been piloting peer navigation programs where experienced parent caregivers staff a hotline supporting new parents in signing up for subsidies and accessing childcare and early intervention services. Drawing from these pioneering efforts, the City should fund a childcare and early intervention navigation pilot to fund peer navigators to help families connect with and retain childcare, early intervention services, and preschool special education for their children.

In addition to relaunching and expanding the aggressive outreach and enrollment efforts for public early childcare services that the City once did for Pre-K for All, the City should also launch a public awareness campaign to ensure parents know that family and legally exempt but regulated child care are high quality and well-regulated options for childcare and how to enroll in these options.

Invest in family childcare

Family childcare providers have been closing their doors because their teams are not paid adequately or given the professional supports they need to continue providing high-quality early childcare, especially to infants and toddlers. The State should increase the Child Care Assistance Program payment rates to meet the true cost of care and work with the City and providers to ensure family childcare providers are able to contract for and meaningfully participate in 3-K and Pre-K for All when those RFPs and contracts are renewed.⁷⁴

The State should also create a permanent childcare workforce compensation fund, similar to the fund established in Washington, DC, to increase childcare worker compensation across all childcare professionals, including family and group family childcare providers working both independently and as part of a network, as well as parallel compensation investment in legally exempt but regulated care.⁷⁵

The City should also increase funding and support for family childcare networks to ensure they have the resources needed to both help interested workers become family childcare providers and provide ongoing professional development and community building with other providers.

⁷⁴ https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

⁷⁵ <https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report-2024.pdf>

Recover lost legally exempt but regulated childcare providers

There were once thousands of legally exempt but regulated childcare providers in New York City, helping to ensure that thousands of young people were getting care with trusted, vetted family members, neighbors, and friends paid using special subsidies.^{76,77} Today, there remain just a fraction of those providers, largely due to lack of public knowledge of and trust in this program. The City should launch a public awareness campaign to ensure that parents know that legally exempt care is an available and well-regulated option.

Enrollment agencies should also have the ability to see whether the family signing up for legally exempt care has completed their voucher enrollment process, thereby ensuring that providers will be paid properly and on time.

Expand Promise NYC

Promise NYC is a City-funded program that provides childcare vouchers to families who are ineligible for other voucher programs due to their immigration status. Launched in early 2023, this program provides over 600 children access to childcare annually.^{78,79} We must invest and baseline at least \$50 million in Promise NYC in FY26 and beyond to double the number of children who can take part in this vital program. The State should also take into account current federal guidance and other states' examples in finding every available route to ensure young New Yorkers can enroll in universal childcare regardless of income, immigration status, housing status, and more.⁸⁰

Provide daycare centers at NYCHA developments with support and strengthen their relationships to families

Many daycare centers have a unique relationship with public housing in New York City, with at least 400 centers renting space and operating in NYCHA developments citywide as of 2021.⁸¹ However, as has been the case in many NYCHA developments, daycare centers have struggled with getting necessary repairs and other needs handled. This is uniquely difficult for daycare centers and poses a significant risk to the safety of both young children at a critical developmental stage and the teachers and staff who take care of them.

Investments in NYCHA's capital needs can support both the families living there and the centers that provide care on these properties. While federal and city governments provide capital funding for NYCHA, NYCHA has been unable to spend City capital dollars for much of the necessary repair work due to limits on how it can be spent under both City and State policy. The City and State should review

76 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2015-DCCS-Fact-Sheet.pdf>

77 <https://ocfs.ny.gov/programs/childcare/assets/docs/factsheets/2023-DCCS-Fact-Sheet.pdf>

78 <https://www.nyc.gov/content/getstufdone/pages/promise-nyc>

79 <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6214861&GUID=9262EECE-OAD2-4D79-BAF3-CD8706B-DAFE4&Options=&Search=>

80 <https://www.clasp.org/wp-content/uploads/2022/01/Immigrant-Eligibility-for-ECE-Programs.pdf>

81 <https://www.thecity.nyc/2021/10/26/nycha-child-care-centers-unsanitary-unsafe/>

current capital restriction policies with NYCHA and providers and make every effort needed to reduce restrictions on City capital funding to ensure all NYCHA developments are able to use City dollars to quickly address capital needs.⁸² In addition, the City must adequately fund, hire, and baseline the needed operational staff to ensure NYCHA repair requests, including in community centers, can be processed and completed within a five-day window of receipt.⁸³

NYCHA should also explore ways it can help more families know about and access childcare in their complexes. Given NYCHA's existing relationship with resident families, the City should partner with NYCHA to pilot a childcare navigator program in house, where NYCHA staff can be funded to help families learn about available programs, apply for subsidies, get connected directly to providers in their complexes or nearby, and even become home-based childcare providers themselves.⁸⁴

82 <https://www.cssny.org/news/entry/testimony-to-the-new-york-city-council-committee-on-public-housing#:~:text=The%202023%20Physical%20Needs%20Assessment,lawmakers%20can%20focus%20their%20efforts>

83 <https://www.chalkbeat.org/newyork/2019/2/21/21106954/as-new-york-city-s-public-housing-crumbles-pre-k-centers-go-without-crucial-repairs/>

84 <https://opportunitynycha.org/business-development/childcare-business-pathways/>

Closing the 0-2 Gap

Appendix

Index

Center-based: Nonprofit and for-profit ECE providers licensed to run childcare programs in commercial spaces.

School-based childcare: Childcare programs run by the DOE, primarily for ages 3-5. Some DOE schools offer 3-K classes, while the DOE also runs Pre-K centers offering early childcare.¹

Home-based childcare: Childcare programs run out of residential settings, which includes family and group family childcare, and legally exempt but regulated childcare. This report uses “home-based childcare” specifically to describe family childcare, group family childcare and legally exempt but regulated childcare, and excludes other informal care like nannyng, babysitting, and unpaid care provided by family, friends and neighbors of the children.

Family childcare: An umbrella term that refers to two types of childcare run by small business operators out of their homes: family childcare (FCCs) and group family childcare (GFCCs). FCC's are registered by DOHMH, regulated by the State's Office of Children and Family Services (OCFS), and can care for a maximum of eight children, depending on the number of infants, at a time. GFCC's are licensed by DOHMH, regulated by OCFS, and with additional staff support, can care for up to 16 children at a time.

Legally exempt but regulated childcare: This umbrella term refers to providers that can register with OCFS to provide childcare out of their homes and be paid using certain vouchers. These providers are required to comply with certain health, safety and educational regulations and standards but are “legally exempt” from other requirements on larger childcare providers such as licensure, due to the small numbers of children they serve, the personal network connections they have with the children under their care, etc. As a result, oftentimes, many legally exempt but regulated providers are a friend, neighbor or family member who was approved to provide childcare for a family's children, and be paid by the state to do so.² This report does not use this term to refer to legally exempt group providers, which can refer to all center-based programs exempt from state regulations due to special circumstances.³

1 <https://www.schools.nyc.gov/enrollment/enroll-grade-by-grade/3k>

2 <https://www.northcountrypublicradio.org/news/story/48194/20230727/your-neighbor-or-friend-can-do-child-care-for-your-kids-and-new-york-will-pay-for-it>

3 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

Funding

Public funding for childcare flows through a mix of federal, state and local funds, such as:

Child Care & Development Block Grant (CCDBG): a federal block grant that allocates funds to states like NY to provide subsidies to income-eligible families to pay for childcare for children ages 6 weeks to 12 years old. New York's CCDBG related program is called the Child Care Assistance Program (CCAP).

Temporary Assistance to Needy Families (TANF): a federal funding stream that provides cash assistance to low-income working families. States are allowed flexibility to transfer some of the TANF funding allocated to their state to use as additional childcare subsidies for income-eligible families.

Early Head Start and Head Start: federal programs that directly pay community-based childcare providers and, in some instances, government providers to provide early childcare and education to income-eligible children ages 0-3, and 3-4, respectively.

State-level Universal Pre-Kindergarten (UPK): New York State also provides funds from its general revenue to pay for Pre-K for families statewide, some of which is used to provide Pre-K for All in NYC.

Pre-K and 3-K for All: The City uses state and city dollars to pay for Pre-K for All, and almost entirely funds 3-K for All using city dollars.

Departments involved

Administration for Children's Services (ACS): OCFS designates County Departments of Social Services to directly distribute and manage certain subsidies locally for services like childcare. ACS is NYC's agency that administers CCDBG-related vouchers.

Department of Education (DOE): Along with overseeing all public schools in New York City, the DOE oversees public childcare for participating providers in the City's 3-K and Pre-K for All programs.

Department of Health and Mental Hygiene (DOHMH): DOHMH is the local agency that regulates child care centers serving children under age six, school-based childcare programs for children ages three to five, and holds a contract with the State to issue licenses to state-regulated programs (such as home-based childcare programs), process background clearances for childcare workers, and conduct inspections and report findings to OCFS.^{4,5}

Office of Children and Family Services (OCFS): The state agency responsible for implementing ECE programs, in compliance with federal and state law. It has oversight authority and establishes policies and regulations that governs NY's ECE sectors.

4 <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6345793&GUID=84ECB6D5-9B51-40B5-945E-3DCF51E14048&Options=&Search=>

5 https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf

Other

Family Child Care Networks: Membership organizations with paid staff offering technical training, assistance and peer-to-peer supports to individual FCC and GFCCs. Family childcare providers do not have to be members of networks, unless they want to contract with the DOE to participate in 3K for All.

Closing the 0-2 Gap

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All Our Kin	ECE on the Move	NewYork-Presbyterian
Bridge Project	FPWA	Prenatal to Five Fiscal Strategies
Caring Across Generations	Henry Street Settlement	Robin Hood Foundation
Chinese American Planning Council	Independent Budget Office	Schuyler Center
Citizens Committee for Children	IncludeNYC	Union Settlement
Columbia University Center on Poverty and Social Policy	LincNYC	United Neighborhood Houses
Committee for Hispanic Children and Families	Northern Manhattan Early Childhood Collaborative	WhedCo
Day Care Council of New York	New Yorkers United for Childcare	YMCA of Greater New York
	New York Immigration Coalition	Washington DC's Office of the State Superintendent of Education

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