Collaborating to Deliver Results

PARTNER AGENCIES & OFFICES

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Office of Child Care and Early Childhood Education

Mayor's Office of Contract Services

Office of Management and Budget

NYC Opportunity

Mayor's Office of Operations

Office of the Deputy Mayor of Strategic Initiatives

ACCESSIBLE, AFFORDABLE, AND HIGH-QUALITY CHILD CARE AND EARLY CHILDHOOD EDUCATION IN NEW YORK CITY

BACKGROUND

The Child Care and Early Childhood Education Blueprint (the Blueprint) was released in June 2022, recognizing the importance of child care as a key to New York City's economic recovery and an engine for promoting equity. This historic investment in the future of the City's children sets five ambitious goals:

- Offer an accessible child care experience to the City's families that is rooted in equity
- Make child care affordable for families
- Increase child care enrollment across the City
- Ensure child care programs are high-quality and establish systems of support for the early childhood workforce
- Create oversight and accountability structures for child care and early childhood education

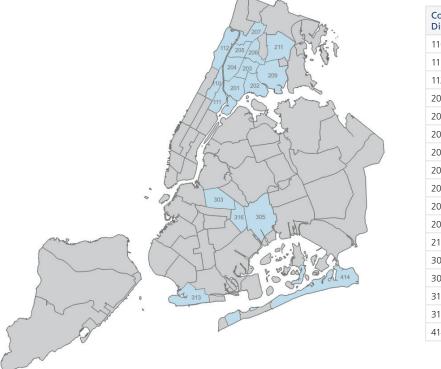
The Blueprint lays out strategies to achieve these goals usingambitious targets: reach more than 41,000 children, support child care educators through workforce development plans, advocate for state legislative changes to expand eligibility criteria for subsidized care, and improve processes for families and providers when they interact with the City. In Fiscal 2024, the City made substantial progress toward these goals.

EXPANDING ACCESS AND INCREASING ENROLLMENT

Creating equitable, accessible child care and early childhood education experiences for New York City families is a top priority for the City. Since October 2022, applications for vouchers to help low-income caregivers pay for child care have been opened citywide. The average number of children accessing child care services through use of a non-mandated Administration for Children's Services (ACS) low-income voucher rose 97 percent from 16,236 in Fiscal 2023 compared to 31,948 in Fiscal 2024. As a result of the City's successful campaign to raise public awareness of child care assistance programs, ACS received an unprecedented volume of applications in Fiscal 2024. On average in Fiscal 2024, 80 percent of applications had an eligibility determination within 30 days, a 12 percentage-point reduction from 92 percent at the end of Fiscal 2023. This is because in the first six months of Fiscal 2024, the flood of applications led to a sharp decrease in the share of applications with eligibility determinations made within 30 days. In response, ACS implemented several strategies to improve application processing time, and by June of 2024, 98 percent were determined within 30 days. The successful strategies included centralizing the case assignment process, improving efficiency and eliminating redundancies in the application review process, enhancing processing capacity through overtime work, and onboarding new permanent and temporary staff.

ACS prioritized outreach for child care assistance to eligible low-income families in 17 community districts (CDs) with the highest concentrations of poverty, unemployment, and inadequate child care resources. The expanded outreach to families in these districts increased awareness of and ability to apply for assistance, advancing equity in access to child care. The number of children from these CDs enrolled in child care with the support of a non-mandated low-income voucher has steadily increased from 5,500 at the end of Fiscal 2023 to 11,979 at the end of Fiscal 2024, already exceeding the City's plan to enroll up to 11,000 children by the start of Fiscal 2025.

PRIORITIZED COMMUNITY DISTRICTS FOR CHILD CARE VOUCHERS



Community District #	Borough	Community District Name					
110	Manhattan	Central Harlem					
111	Manhattan	East Harlem					
112	Manhattan	Washington Heights/Inwood					
201	Bronx	Mott Haven/Melrose					
202	Bronx	Hunts Point/Longwood					
203	Bronx	Morrisania/Crotona					
204	Bronx	Highbridge/Concourse					
205	Bronx	Fordham/University Heights					
206	Bronx	Belmont/East Tremont					
207	Bronx	Kingsbridge Heights/Bedford Pk					
209	Bronx	Parkchester/Soundview					
211	Bronx	Morris Park/Bronxdale					
303	Brooklyn	Bedford Stuyvesant					
305	Brooklyn	East New York/Starrett City					
313	Brooklyn	Coney Island					
316	Brooklyn	Brownsville					
414	Queens	Rockaway/Broad Channel					

In March 2023, the City launched the MyCity portal, a one-stop shop for City services and benefits, making it easier for New Yorkers to interact with and access the support and service of a multitude of City agencies. A child care application was included in the first phase of the launch of this portal. For the first time, families can apply online for child care assistance, including vouchers and contracted seats. Through MyCity, families can screen themselves for eligibility for child care assistance, apply online, and track the status of their application. In February 2024, the City enabled recertifications in MyCity so families can recertify their eligibility for child care assistance online for the first time. Paper applications for child care assistance remain available. In Fiscal 2024, 41,586 total applications for child care assistance were submitted in MyCity, a 291 percent increase over Fiscal 2023, comprised of 37,834 new applications and 3,752 recertification applications. As of the end of Fiscal 2024, nearly 58,000 applications and recertifications for child care have been submitted through the child care portal since its launch in spring 2023.

EXPANDING CAPACITY

Increasing enrollment requires a parallel increase in the availability of child care space and seats. The Department of Finance (DOF) launched the Childcare Center Tax Abatement in February 2023 to aid in the creation of new seats. The Childcare Center benefit is a property tax abatement for property owners whose property construction, conversion, alteration, or improvement completed after April 1, 2022 resulted in the creation of a new child care center or an increase in the maximum number of children allowed in an existing child care center as specified in the permit issued by the NYC Department of Health and Mental Hygiene (DOHMH). Property owners who create a child care center or increase the number of seats at an existing child care center may be eligible for a property tax abatement covering up to \$225,000 of construction costs. In Fiscal 2024, over 1,340 seats were approved. Since the launch of the abatement over 3,100 seats have been created. The City estimates 11,000 additional seats will be generated by this method by the end of Fiscal 2025.

In addition, the City launched the Child Care Business Income Tax Credit in August 2023. The Child Care Center Business Income Tax Credit is a tax credit for businesses that provide free or subsidized infant or toddler care for their employees in a center-based location. The credit is limited to a span of three tax years, from Calendar 2023 to Calendar 2025. It is calculated based on the average number of new or additional child care seats that are occupied while the child care program is in operation and is capped at 25 new or additional child care seats. There is a \$25 million cap on the total value of credits that can be issued each year, and the credits will be prorated if this amount is exceeded. The City estimates 7,000 additional seats will be generated by this method by January 2026. In Fiscal 2024, no seats were generated by this method.

MAKING CHILD CARE AFFORDABLE

In Fiscal 2023, due to successful advocacy by New York City, New York State raised the income eligibility ceiling from 200 percent to 300 percent of the federal poverty level, allowing more New York City families to meet the eligibility criteria for child care assistance. As of October 2023, New York State increased the income threshold even further to the federal maximum of 85 percent of the New York State median income. Previously, a family of four making over \$60,000 per year would be ineligible for a subsidized child care seat. Now, a family of four earning up to \$108,600 per year can qualify. Since the launch of the Blueprint, approximately 95,000 children under five years old may qualify for child care assistance, a big step toward the City's goal of making child care affordable for families.

The City also successfully reduced the family co-payment for child care. In June 2022, the maximum amount families with income between 100 percent of the federal poverty level and 85 percent of the State median income will pay for child care was reduced from 10 percent to one percent of their family income above the federal poverty level. The City has since reduced the per child co-payment for a family earning \$55,000 a year from \$55 a week in 2022 to approximately \$4 a week, as of July 2024.

Additionally, ACS launched Promise NYC in Fiscal 2023. Promise NYC is a City tax levy-funded child care assistance program to provide child care to low-income families with children whose immigration status makes them ineligible for federally-funded child care assistance programs in New York City, namely undocumented children. ACS contracts with four community-based organizations to help families with eligible children across all five boroughs access child care. Promise NYC enrolled 679 children into care in Fiscal 2024. In Fiscal 2025, the Administration added \$9 million of City tax levy funding to expand Promise NYC.

IMPROVING QUALITY AND SUPPORTING PROVIDERS

In the 2023–2024 School Year, the Department of Education (DOE) launched a new data-driven coaching program focused on leadership capacity and teacher practice, including for family child care providers. The comprehensive coaching model includes a leadership coach assigned to every school and program leader and an instructional coordinator assigned to teachers at all schools and programs. Leadership coaches establish goals with each leader for their school or program community and engage in bi-weekly coaching interactions to move those goals forward, strengthening the leadership capacity to best support their teaching teams. Instructional coordinators draw on the established goals to inform their bi-weekly coaching interactions with teachers so they are empowered to best support children and their families.

In early Fiscal 2024, the City increased the Family Child Care (FCC) Credit-Bearing Child Development Associate (CDA) credential cohort to over 130 providers with an 18-month completion date. This is the first ever cohort of its kind. The goal is to foster workforce development, professional capacity and growth, and opportunities for economic and career mobility for the FCC providers.

	Agency	Actual					Target		Trend	
Performance Indicators		FY20	FY21	FY22	FY23	FY24	FY24	FY25	5-Year	Desired Direction
Average number of children accessing child care services through use of a non-mandated low- income voucher	ACS	10,000	8,323	9,393	16,236	31,948	*	*	Up	*
Children from 17 Community Districts enrolled in child care with a voucher	ACS	NA	NA	NA	5,500	11,979	11,000	11,000	NA	Up
Children enrolled in Promise NYC	DOE	NA	NA	NA	664	679	600	600	NA	Up
Child care applications submitted using MyCity	OTI	NA	NA	NA	8,624	41,586	*	*	NA	Up
— New applications	OTI	NA	NA	NA	8,624	37,834	*	*	NA	Up
- Recertification applications	OTI	NA	NA	NA	NA	3,752	*	*	NA	Up
New seats created by eligible property owners receiving an abatement	DOF	NA	NA	NA	1,791	1,348	*	*	NA	Up
Providers who applied for higher reimburse- ment rates for 2022 New York State market rate (cumulative)	ACS	NA	NA	NA	3,903	4,936	*	*	NA	*
Providers approved for higher reimbursement rates for 2022 New York State market rate (%)	ACS	NA	NA	NA	99%	97%	*	*	NA	*
« Critical Indicator	"NA" Not	Available	ñò Dire	ectional Targ	et *	None				

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS 🖋

- The indicators 'Student enrollment as of October 31 in full day pre-kindergarten,' 'Average EarlyLearn contract enrollment,' 'EarlyLearn—Average family child care enrollment,' and 'EarlyLearn—Average center-based enrollment' have been removed since DOE overhauled their reporting structure for early childhood education in their Agency chapter. Please refer to Service 2 of the DOE chapter for a detailed breakdown of early childhood education enrollment, unfilled seats, and spending.
- The Fiscal 2023 value for 'Child care applications submitted using MyCity' was revised from 8,022 to 8,624 after discovering an error in the previous reporting methodology.
- Fiscal 2024 data onwards for 'Child care applications submitted using MyCity' will include both new applications and recertification applications. MyCity began processing recertification applications on February 27th, 2024. Sub-indicators reporting the breakdown of new and recertification applications were added in the Fiscal 2024 MMR.

ADDITIONAL RESOURCES

For more information about these and additional initiatives underway, go to:

- Accessible, Equitable, High-quality, Affordable: A Blueprint for Child Care & Early Childhood Education in New York City: https://www1.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Childcare-Plan.pdf
- Care Center Tax Abatement application: https://www.nyc.gov/site/finance/benefits/group-childcare-abatement.page
- Toward a Working Future: A Childcare Toolkit for New York City Employers: https://edc.nyc/sites/default/files/2023-03/Childcare-Toolkit.pdf
- MyCity Child Care application: https://mycity.nyc.gov/s/childcarelanding?language=en_US&LanguageCode=en_US
- Comprehensive Background Check Application: https://www.nyc.gov/site/doh/business/permits-and-licenses/children-and-adolescents-childcare.page
- Promise NYC: https://www.nyc.gov/content/getstuffdone/pages/promise-nyc
- Child Care Center Business Income Tax Credit application: https://www.nyc.gov/site/finance/property/group-childcare-credit.page