



New York State Comptroller
THOMAS P. DiNAPOLI

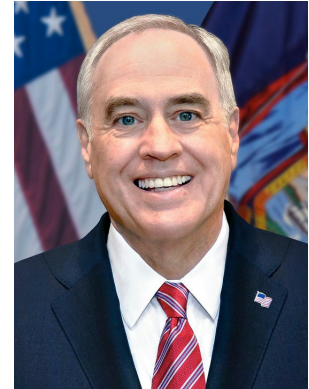
Lingering Challenges in the Child Care Sector

February 2025

Message from the Comptroller

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Child care plays an important role in fostering New York’s economic strength. Labor force participation in New York State is below the national average, and the availability of affordable child care has an effect on whether many parents – particularly mothers – can enter the workforce or how many hours they are able to work. The availability of affordable child care is an important factor for enabling New Yorkers to make their contributions to our economy.



The pandemic had a deeply disruptive effect on the State’s child care industry, accelerating a drop in the number of child care providers in New York. Fortunately, the State has begun to recover from this decline, but the number of providers remained below 2015 levels, as family-based care continued to decrease through 2024. The number of licensed child care slots in the State also decreased from 2019 to 2021, but now exceeds pre-pandemic levels; however, it is unclear how many of these slots are truly available and how many are in use. Furthermore, there are extensive geographic disparities in the number of available providers in local communities.

One-time federal pandemic funding helped stabilize the system, but did not cure all its ills. Child care deserts persist across the State and in many parts of the nation. Prices in New York are among the highest in the nation, while child care workers earn wages well below the State’s median wage, complicating efforts to attract and retain the workforce needed to provide services. The Executive plans to use State funds to continue support for expansions to child care subsidies and other supports to the industry, previously funded with federal pandemic dollars; however, vigorous federal support and additional State efforts may also be necessary to improve the availability of child care. An effective child care system is integral to the State’s economic future and must remain a priority for policymakers.

Thomas P. DiNapoli
State Comptroller

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Executive Summary

Lingering Challenges

The COVID-19 pandemic and the policies implemented under the public health emergency had a deep effect on New York's child care sector – on the families seeking care, on the providers and child care workers supplying it, and on the State's child care assistance program. While the public health emergency has concluded, the sector faces lingering challenges that include:

- **Persistent Child Care Deserts.** Concerns about sufficient availability of child care in New York pre-date the pandemic. The number of child care providers had been dropping even before 2020, but the decline accelerated in 2020 and 2021 with the loss of 1,351 providers, or 7.3 percent, over those two years. During that time, more than 80 percent of the decreases in providers and capacity occurred in home-based care. While center-based child care appeared to be more resilient, it may be because the data reflect the maximum capacity of the facility, rather than slots in use or truly available to parents.

Since 2021, reported child care capacity has been on the rise and by 2023 exceeded pre-pandemic levels and by 2024 was at the highest level since at least 2015. Despite the increase, child care availability – based on the ratio of children per child care slot – varies considerably at the regional, county, and school district levels. According to the New York State Office of Children and Family Services, in 2023, 60 percent of census tracts were child care deserts, with at least 3 children under age 5 per available slot in registered home-based providers or day care centers. An alternative analysis by the Office of the State Comptroller shows the huge variability of child care services for children under 12 throughout state school districts, and finds children-per-slot ratios tend to be higher in more rural areas, while districts with lower ratios tend to be closer to population centers. State efforts to boost the availability of universal pre-kindergarten have also impacted demand for child care services and the cost of service delivery by providers.

- **Deep Workforce Challenges.** Data on child care slots indicate provider capacity, not the number of slots currently open or in use. One reason slots may not be truly available is if there are not enough staff to meet requirements. In 2020, the number of child day care services jobs statewide dropped by 19.8 percent, and had recovered by 2023 in New York City and Long Island but not in the rest of the state. Providers cite relatively low compensation as a key impediment to attracting and retaining staff. Despite demanding work requirements, child care workers on average earn significantly less than the state median wage, and many do not have access to other benefits, such as employer-provided health insurance, paid time off or pensions.
- **Chronically High Prices.** One indicator that has remained unchanged pre- and post-COVID is New York's high child care prices. From 2018 to 2023, New York's average annual child care prices were higher than every other state except for Massachusetts, rising nearly 18 percent from \$12,422 per child to \$14,621, according to the U.S. Labor Department. Data from the New York State Department of Labor indicate county-level costs of infant center-based care, which is the costliest among modalities, can range from 10.2 to as high as 36.6 percent of median family income.

Federal and State Funding Expanded, but Additional Efforts May Be Needed

The pandemic's impact on child care nationwide led the U.S. Treasury Department to assert the child care market was broken and national policymakers to support emergency federal funding to support the sector. One-time federal pandemic relief funds for child care services, subsidies and provider stabilization grants totaled \$2.45 billion for New York. The State has used these funds to expand eligibility, reduce co-pays, stabilize existing providers and encourage expanding child care capacity. With the depletion of these extraordinary federal resources, the most recent Financial Plan indicates State support for child care will reach \$1.2 billion annually beginning in State Fiscal Year (SFY) 2027-28.

The State should remain focused on bolstering the availability of child care, with an emphasis on areas with no providers. To start, it should prioritize reforming data collection to allow for more precise and timely assessment of true availability by type of care provided and by locality, including operational and open slots. It should also make efforts to increase the use of child care subsidies by eligible families, and enhance the ability of all families to search for providers. Special consideration should be given for approaches that can boost availability in rural areas and for whether additional changes to the cost definitions and payment mechanisms would yield improvements in availability and equity.

The [Child Care Availability Taskforce](#) reports make additional recommendations worth considering, particularly with respect to providing business supports and regulatory relief to providers and stabilizing and developing the workforce. Challenges with recruitment, retention and development of staff are impediments to expanding child care availability, and are not limited to New York's providers. Federal bills that bolster the workforce are an essential ingredient for success and should be supported.

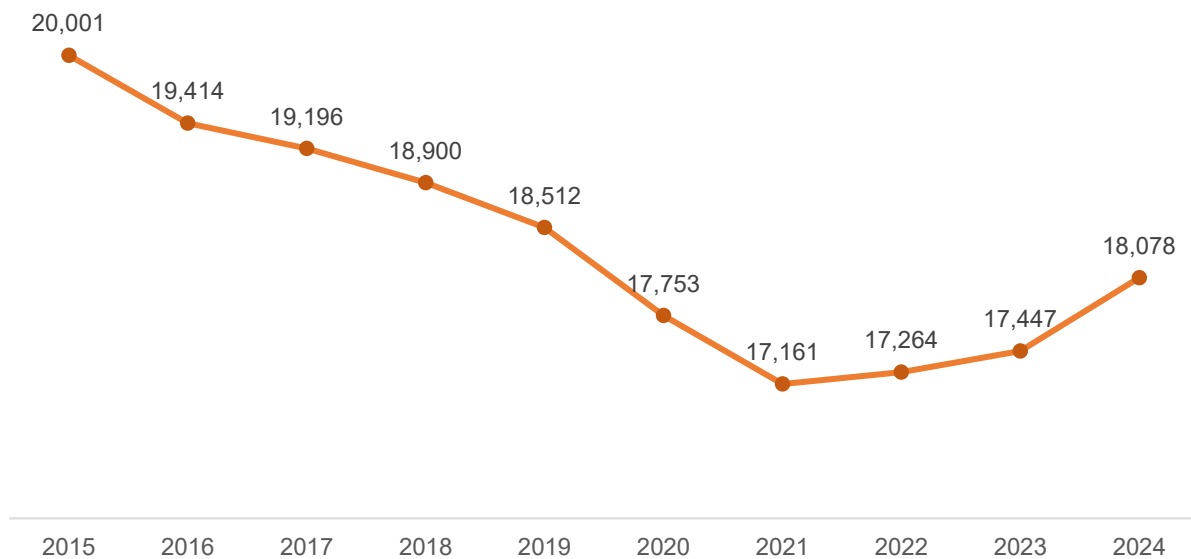
Trends in Child Care Availability

For parents and guardians of children in need of child care support, availability is a central concern. Child care should be available within a reasonable distance of home or employment; what is deemed reasonable may vary depending on type of community (urban, suburban or rural), commuting patterns (suburban to urban; intra-rural; etc.), personal preferences, and additional supports available to a family. For example, one New York City program deems child care accessible when a parent can get from home to the provider to work within an hour and fifteen minutes.¹ Another national survey conducted prior to the pandemic found the distance between the child’s home and early education provider averaged 3.9 miles for children three to five and 4.6 miles for children under three, although distances tended to increase with household income.² A confluence of factors determine a good fit for a household and a child care service, but the range of options narrowed in many communities during the pandemic.

Providers

According to the New York State Office of Children and Family Services (OCFS), prior to the pandemic, the number of licensed and registered child care providers throughout the state had been steadily declining.³ From 2015, the earliest year for which data is publicly available, to 2019, the number of these providers statewide decreased by 1,489, or 7.4 percent.⁴ This trend accelerated during the pandemic, with a nearly equal decrease (7.3 percent) in just the two years between 2019 and 2021. From 2021 to 2023, the number of providers increased modestly by 1.7 percent, and grew by an additional 3.6 percent in 2024. Even with these increases, the number of providers in 2024 was 9.6 percent below 2015 levels.

Figure 1
Licensed and Registered Child Care Providers in New York State, 2015 – 2024



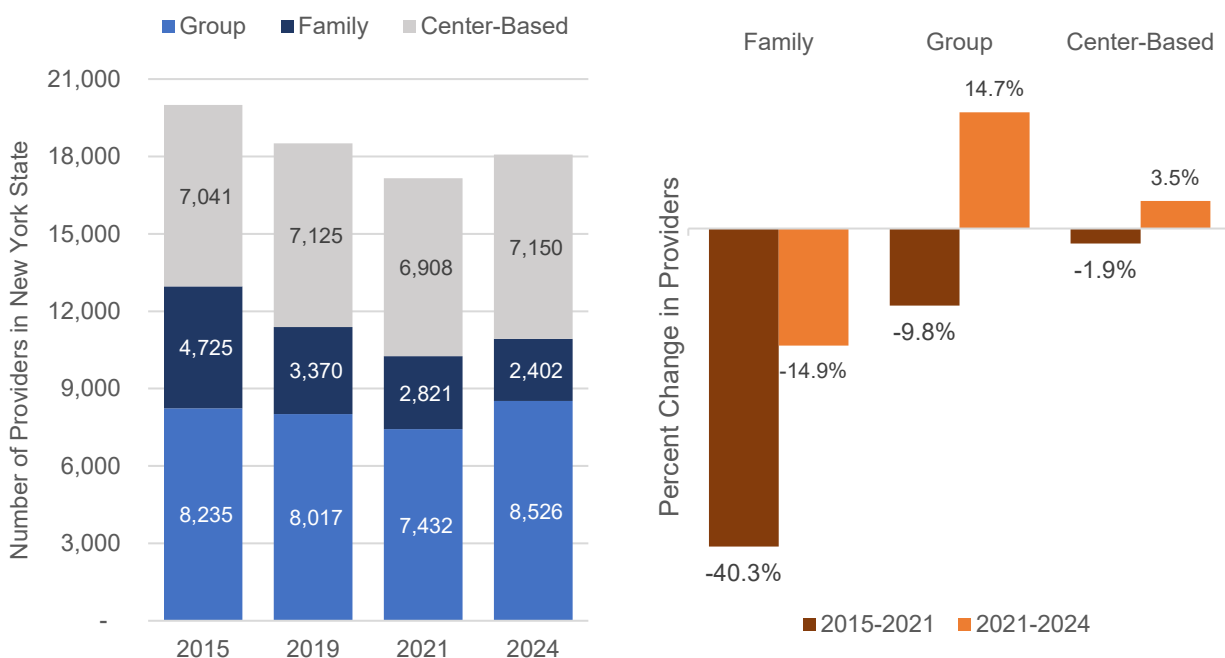
Source: NYS OCFS

OCFS figures on child care providers reflect both center-based care and home-based care.⁵

- **Center-based care** includes Day Care Centers (which typically serve children under six years old) and School Age Child Care Centers (which operate outside of school hours). Day care and child care centers' capacity is determined by the square footage of the facility.⁶
- **Home-based care** includes Registered Family Day Care Homes and Group Family Day Care Homes that provide care for at least one child related to the caregiver in a residence. Family Day Care Homes are capped at a maximum capacity of eight, and Group Family Day Care Homes are capped at 16.⁷

From 2015 to 2021, the decline in providers was almost entirely attributable to lower numbers of registered home-based care providers, which collectively decreased by 20.9 percent from 12,960 in 2015 to 10,253 in 2021. As shown in Figure 2, the declines were mostly driven by decreases in family day care that continued through 2024. In contrast, the number of group providers, which had declined by nearly 10 percent, has grown since 2021 to surpass the number in 2015. Center-based providers declined by 1.9 percent between 2015 and 2021, decreasing from 7,041 to 6,908, but the number increased to surpass 2015 levels by 1.5 percent in 2024. Appendix A provides more detailed information on annual changes in the number of providers.

Figure 2
Changes to Registered and Licensed Child Care Providers by Type of Care, 2015 – 2024

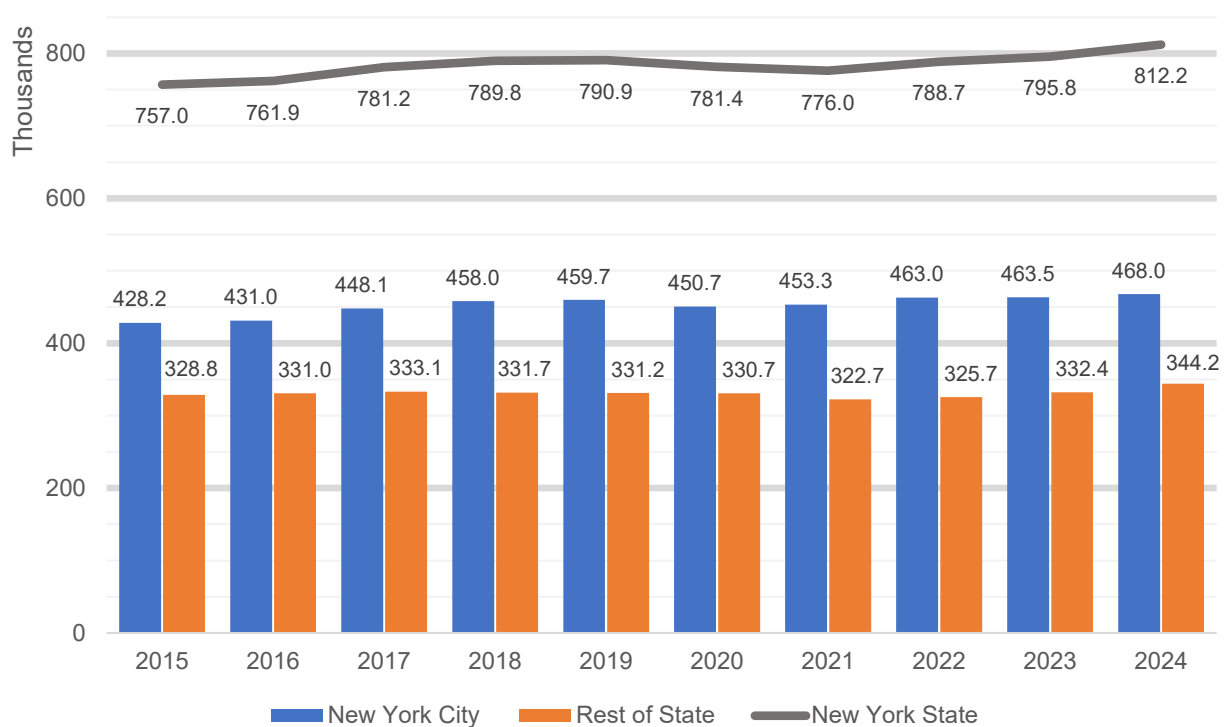


Source: NYS OCFS

Capacity

While providers are largely home-based, the overwhelming majority (more than 80 percent) of child care slots are in center-based settings. Because the number of center-based providers declined by less than that of home-based providers between 2019 and 2021, the pandemic’s impact on the total capacity of the child care system appears less severe. In 2020, when shut-down orders were in effect due to the pandemic, the state lost 9,549 slots and an additional 5,333 slots in 2021, for a cumulative decline of 1.9 percent from 2019 levels.⁸ Capacity began to grow again in 2022 and, by 2024, exceeded 2019 levels by 21,257 slots, or 2.7 percent, and 2015 levels by 7.3 percent.

Figure 3
Child Care Capacity in New York State, New York City and Rest of State, 2015 – 2024



Source: NYS OCFS

In New York City, capacity dropped by nearly 2 percent in 2020, but increased in 2021 to achieve a recovery by 2022. Outside of New York City, the pandemic resulted in a 2.4 percent decrease in capacity between 2020 and 2021, with recovery achieved in 2023.

Across the state, home-based providers were the most impacted, accounting for 83.9 percent of losses in providers and 87.2 percent of losses in capacity, a total of 12,970 slots, between 2019 and 2021. As shown in Figure 4, while slots in Group Family Home providers have rebounded, slots in Family Day Care Home providers have continued a longer downward trend. Between 2015 and 2024, there were 17,608 fewer child care slots in Family Day Care Homes, a decrease of 48.2 percent. In some communities, these providers often present a more affordable or flexible option for parents than center-based care.

Figure 4
Child Care Capacity by Type of Provider, 2015 – 2024

	Number of Slots				Pre-Pandemic	Pandemic Impact	Recovery Period	All Years
	2015	2019	2021	2024	2015-19	2019-21	2021-24	2015-24
New York Total	756,975	790,903	776,021	812,160	4.5%	-1.9%	4.7%	7.3%
Center Based	595,331	641,529	639,617	661,882	7.8%	-0.3%	3.5%	11.2%
Home Based	161,644	149,374	136,404	150,278	-7.6%	-8.7%	10.2%	-7.1%
Family	36,497	26,340	22,081	18,889	-27.8%	-16.2%	-14.5%	-48.2%
Group	125,147	123,034	114,323	131,389	-1.7%	-7.1%	14.9%	5.0%

Source: OCFS

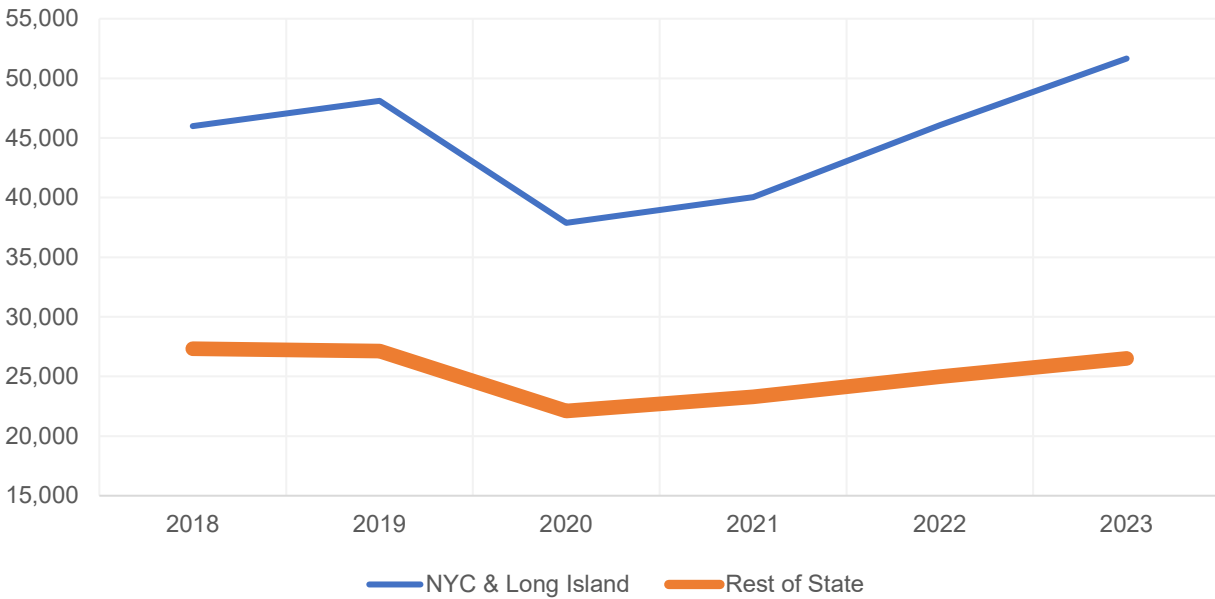
Center-based child care appeared to be more resilient during the pandemic, with fewer losses of both providers and capacity; however, this may not reflect the on-the-ground realities of child care provision by these centers. The number of slots reported by OCFS are determined by the maximum capacity of the facility; they do not represent slots in use or “available.” Therefore, centers that remained open during the pandemic, but served fewer children because of distancing requirements, staffing challenges or decreased demand, would not necessarily be reflected in the data. As a result, decreases and rebounds in available slots may be understated, with parents finding fewer slots open during this period than the data would suggest.

Workforce

Child care is labor-intensive, and State or New York City regulations set strict requirements regarding staff training and qualifications and the supervision of children, including minimum teacher-to-child ratios. Minimum requirements for home-based care require minimum staffing ratios of 1:8, one caregiver for eight children, so long as at least two of the eight children are of school age, and none of the children are younger than two years old. For groups of children younger than school age where all of the children are older than two years, staffing ratios of 1:6 are required. Minimum staffing ratios of one caregiver for two children are required for children under two years old.⁹ Outside of New York City, day care centers are limited to staffing ratios of 1:4 for infants (6 weeks to 18 months) with a maximum group size of eight, with the staffing ratios increasing incrementally to 1:9 with a maximum group size of 24 for children five years of age.¹⁰ New York City’s staffing ratios are less restrictive; for example, ratios are 1:15 for five year-olds, with a max capacity of 25.¹¹

At the beginning of the COVID-19 pandemic, private sector employment within the Child Day Care Services industry fell sharply. Data reported by the New York State Department of Labor (NYS DOL) from the Quarterly Census of Employment and Wages (QCEW) show that in 2020 average annual employment in the industry dropped 19.8 percent. Data from the QCEW do not cover workers who are self-employed, and may not capture all home-based workers.¹² By 2023, employment within the industry had recovered, though this recovery is not evenly distributed throughout the state, with employment increases in New York City and Long Island driving the recovery. Employment in the rest of the state remained below 2018 levels.

Figure 5
Private Sector Child Day Care Services, Average Annual Employment, New York City and Long Island, and Rest of State, 2018 – 2023



Source: NYS DOL QCEW

According to a 2023 report by the NYS DOL, despite increases since 2017, child care worker wages still present a significant barrier to growth of the industry’s workforce.¹³ In 2023, the median wage for those working in the child day care services sector was \$38,234, more than \$20,000 less than the median wage for all New Yorkers.¹⁴ This equates to \$18.38 an hour,¹⁵ compared to a minimum wage of \$15 an hour in 2023 for downstate regions and \$14.20 to \$15 per hour in the rest of the state (excluding home health care aides, who have a minimum wage of \$17 an hour downstate and almost \$16 an hour in the rest of the state in 2023).¹⁶

One encouraging sign is that since 2017, the average annual wage of those working in the child care sector in the private sector has increased by 40.1 percent, 12 percentage points more than the total private annual average wage growth in New York State over the same period.¹⁷ Nevertheless, wages remain a concern for staffing, often leading to high turnover or the inability to attract or retain the workforce needed to fully staff centers to maximum capacity.¹⁸ According to a 2021 report by the U.S. Treasury, national estimates suggest between 26 to 40 percent of the child care workforce leave their jobs each year, with many reporting high levels of burnout and stress.¹⁹ In addition to wages, child care workers also have minimal or uneven access to other benefits, such as pensions, paid time off and health insurance.²⁰

Regional Assessment of Availability

Outside of New York City, OCFS is responsible for licensing and registering all child care providers. In New York City, home-based providers as well as school age child care centers are regulated by OCFS. Day care centers are regulated by the New York City Department of Health and Mental Hygiene (NYC DOHMH).

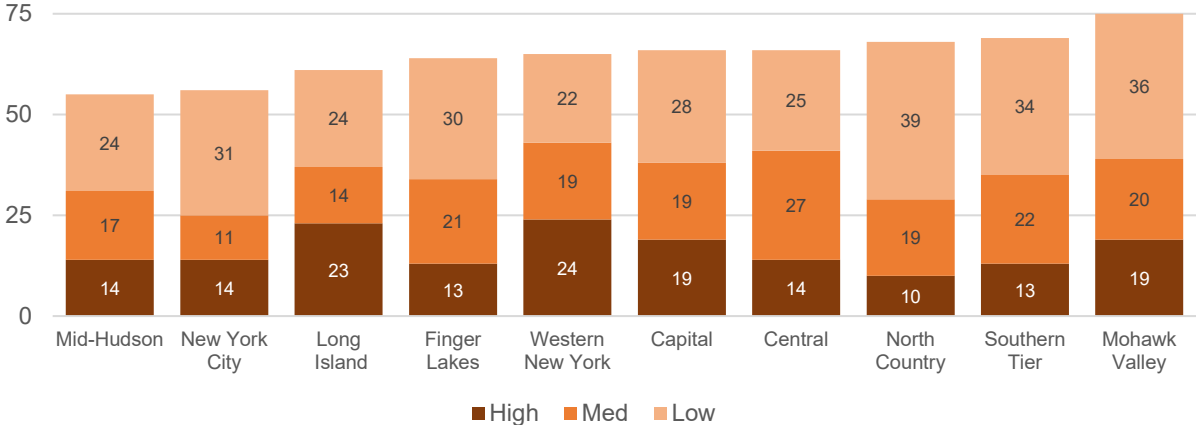
Child Care Deserts

Concerns regarding child care adequacy predate the pandemic. In 2018, the [Center for American Progress](#) issued a report finding 64 percent of New Yorkers lived in a child care desert, one of the highest rates among all states, and 13 percentage points greater than the national average (51 percent). These concerns led New York State to establish the [Child Care Availability Task Force](#), which first convened in 2018 and issued reports in 2021 and 2024.²¹

OCFS defines a “child care desert” as a census tract in which there are three or more children under the age of five per available child care slot in local day care centers or registered home-based care providers (excluding school age programs). OCFS and the NYS Council on Children and Families produce an [interactive map and dashboard](#) that provides metrics for 2021 and 2023. According to this dashboard, 40 percent of census tracts were *not* child care deserts. Of the remaining 60 percent, 16 percent had “high” scores, with no child care at all; 15 percent were “medium” with a ratio of 10 or more children to a slot; and 29 percent were “low,” with 3 to 9.99 children per available slot.

The dashboard also provides regional and county summaries. As shown in Figure 6, downstate regions had the fewest child care deserts, with 55-56 percent of census tracts considered deserts in the Mid-Hudson and New York City regions, while the Mohawk Valley had the greatest share at 75 percent. Western New York had the greatest share of census tract “high” scores at 24 percent. Increases in providers and slots in 2024 may improve these metrics marginally in some regions, but are unlikely to produce dramatically different results statewide considering the number of providers is still below pre-pandemic levels.

Figure 6
Percentage of Census Tracts with Child Care Deserts as Defined by OCFS, 2023



Source: NYS Office of Children and Family Services and the NYS Council on Children and Families

School District Analysis

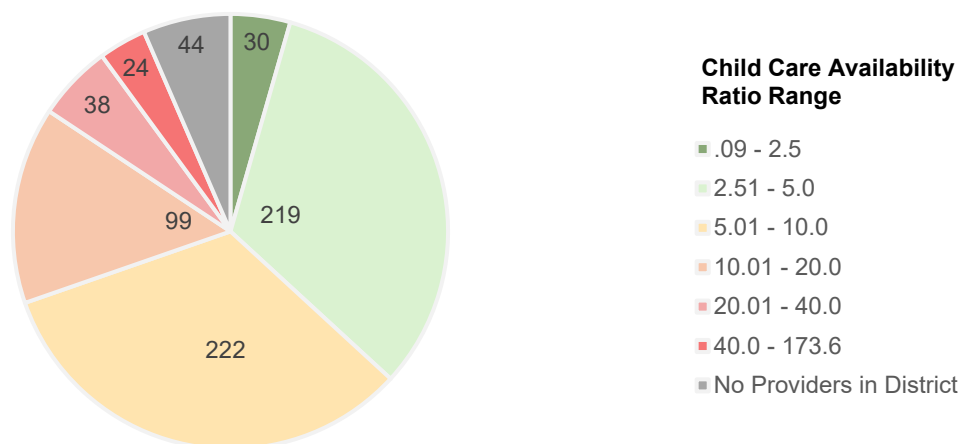
The Office of the State Comptroller has analyzed the availability of child care in school districts. School districts across the state vary tremendously in geographic and demographic size but are established as communities that provide services to children. School districts also provide after-school and pre-k programming, and so are already a factor in the demand for child care services. Notably, State efforts to boost the availability of Universal Pre-K by school districts have had a great impact on demand for child care services and the cost of service delivery by child care providers.

This analysis examines child care availability for children ages 0-12 in school districts compared to all available child care slots, including school aged programs.²² In this regard, the metrics are broader than the “child care” deserts published by OCFS and should not be compared. In addition, this metric may not capture shortfalls in specific modalities, such as infant or toddler care; however, it allows for illustrative geographic comparisons.

Data on slots are from OCFS and from NYC DOHMH, and demographic data is from the 2020 Census.²³ To create the Children per Child Care Slots ratios, the population of 0-12 aged children in the district was divided by the aggregated provider capacity within that area. The ratio for New York State is 3.6 children per slot, though there is significant regional variation. New York City, which is a singular school district that is also the State’s largest, has a ratio of 2.7; on a borough basis, the ratios range from 2.0 in Manhattan to 3.8 in Staten Island.

Outside of New York City, the average ratio for the rest of the state is 4.9, but the school district level ratios range from 0.9 for North Greenbush Central School District near Albany to 173.6 for Susquehanna Valley Central School District near Binghamton. Of the state’s 676 school districts with elementary schools, 44 have no child care providers. For one-third of districts, there are 5 to 10 children ages 0-12 per child care slot. Ratios are greater than 20 to 1 for 9 percent of districts.

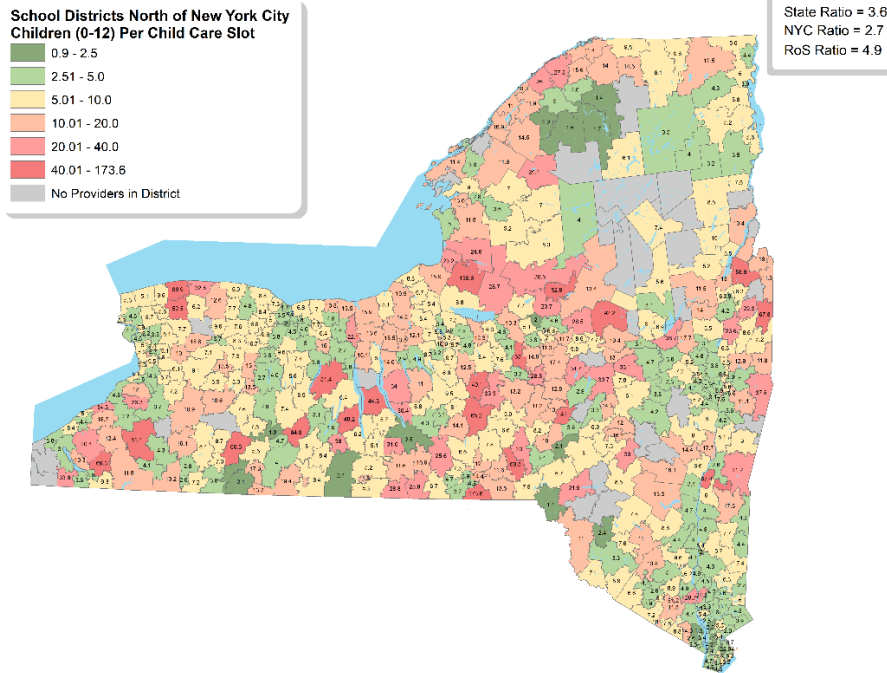
Figure 7
Number of School Districts In Each Child Care Availability Ratio Range



Note: Total number of children ages 0-12 per child care slot available in licensed and registered child care providers. Does not include New York City school district.

Sources: OCFS Child Care Regulated Programs, NYC DOHMH Childcare Center Inspections, U.S. 2020 Census Table P14: Sex by Age for the Population Under 20 Years, OSC Analysis. See Appendix D: Children Per Slot Methodology for details.

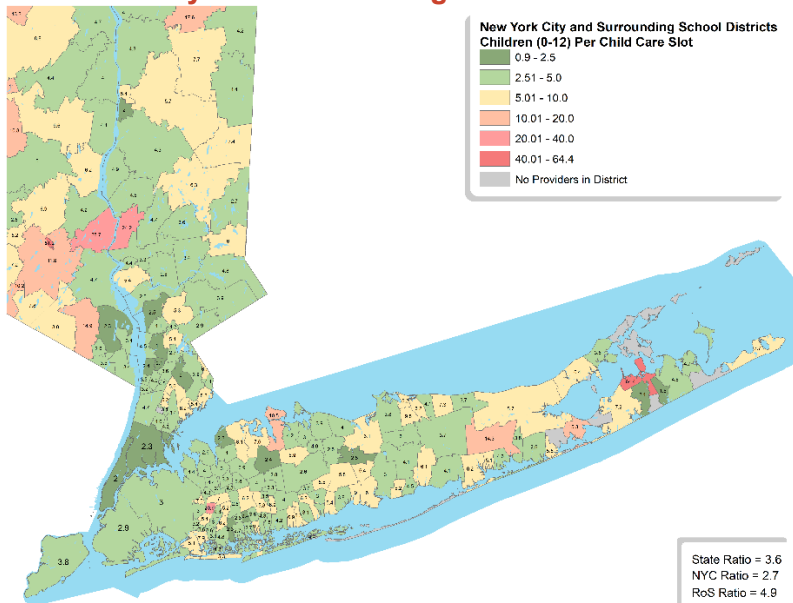
Figure 8
New York State School Districts North of New York City Child Care Availability Ratios



Note: Total number of children ages 0-12 per child care slot available in licensed and registered child care providers.

Sources: OCFS Child Care Regulated Programs, NYC DOHMH Childcare Center Inspections, U.S. 2020 Census Table P14: Sex by Age for the Population Under 20 Years, OSC Analysis. See Appendix D: Children Per Slot Methodology for details.

Figure 9
New York City and Surrounding School Districts Child Care Availability

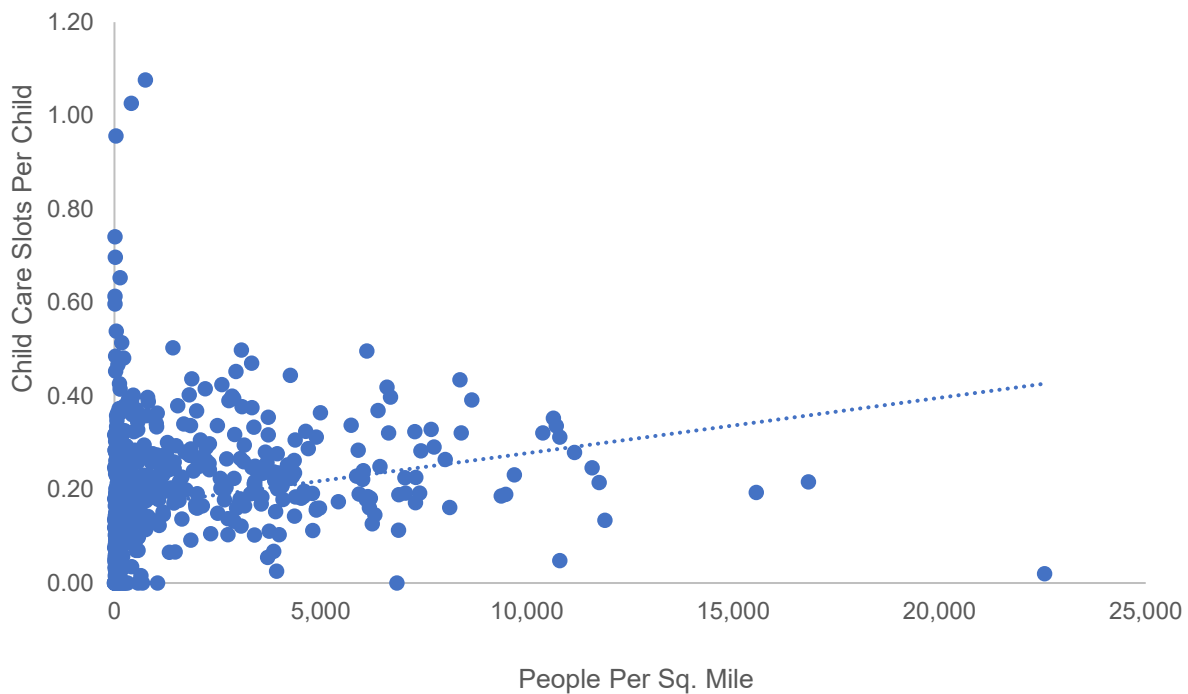


Note: Total number of children ages 0-12 per child care slot available in licensed and registered child care providers.

Sources: OCFS Child Care Regulated Programs, NYC DOHMH Childcare Center Inspections, U.S. 2020 Census Table P14: Sex by Age for the Population Under 20 Years, OSC Analysis. See Appendix D: Children Per Slot Methodology for details.

The districts with the lowest level of availability (higher children-per-slot ratios) tend to be in more rural areas of the state, while districts with higher levels of availability (lower ratios) tend to be closer to population centers. There is a weak, but statistically significant positive relationship outside New York City between population density and child care availability, meaning more child care is likely to be available per child in districts with a greater population density.²⁴ The impact is compounded by the larger geographic area of rural districts. In rural districts with less availability of child care, people may have to travel farther to access it. The decline in home-based care may also have been more impactful in rural areas, as research finds rural areas are more reliant on home-based care and informal networks.²⁵

Figure 10
School Districts Outside of New York City, Population Density and Child Care Slots Per Child



Note: This chart uses child care slots per child instead of children per child care slot so that a positive relationship indicates more availability, and to avoid ratios that divide by zero due to a lack of providers within a district.

Sources: OCFS Child Care Regulated Programs, U.S. Census 2021 5-year ACS TIGER/Line with Selected Demographic and Economic Data (for population density), U.S. 2020 Census Table P14: Sex by Age for the Population Under 20 Years, OSC Analysis. See Appendix B: Children Per Slot Methodology for details.

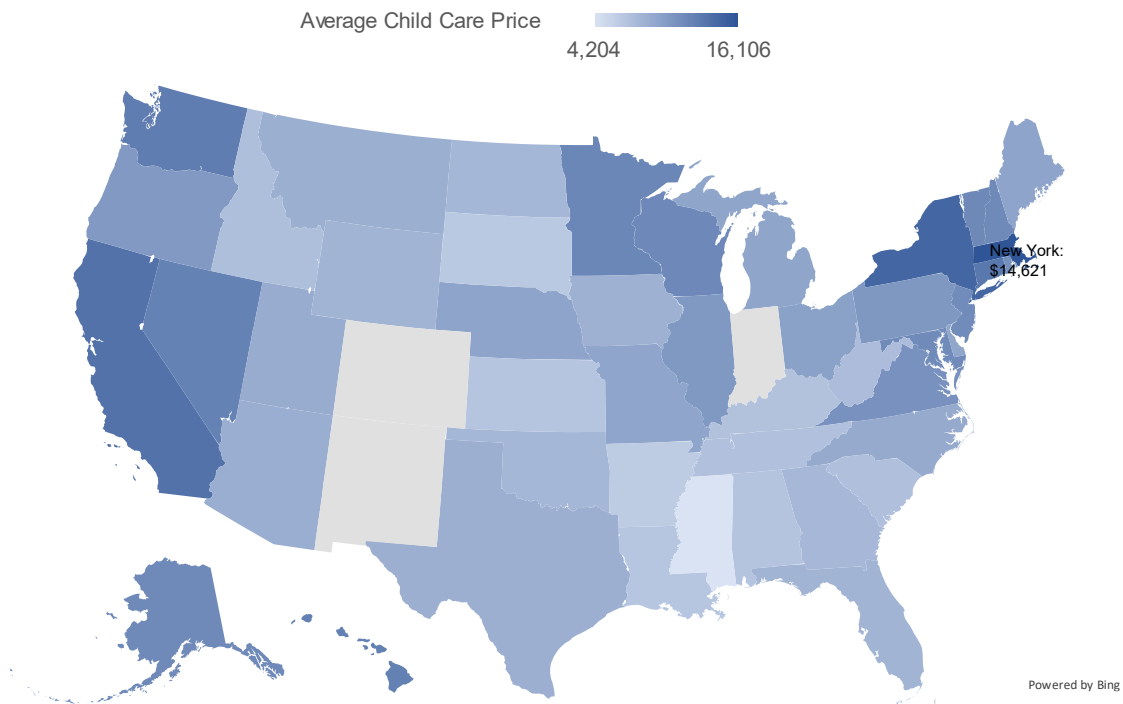
Child Care Prices and Subsidies

Child Care Prices

Even when parents can find a child care provider that is near their residence or place of work, they need to be able to afford the services provided. Child care prices in New York are among the highest in the nation, according to state level estimates for 2023 in the U.S. Department of Labor's (DOL) National Database of Childcare Prices.²⁶ As shown in Figure 11, New York's average annual child care price in 2023 was \$14,621, higher than every other state except Massachusetts. The 2023 rankings for Massachusetts and New York were unchanged from 2018, when their average child care prices were \$13,683 and \$12,422, respectively.

Nationally, child care costs have grown more quickly than other household goods and services in the last two years. Between August 2023 and 2024, day care and preschool prices grew 6.2 percent nationwide, compared to 2.5 percent for the consumer price index (CPI-U). Between August 2022 and 2023, they grew 5.6 percent compared to 3.7 percent for CPI-U.²⁷ A 2024 analysis from the U.S. DOL found U.S. families spent between 8.9 and 16.0 percent of their median income on full-day care for just one child in 2022, with the authors concluding "child care costs remain an almost prohibitive expense."²⁸

Figure 11
Average Child Care Price by State, 2023



Notes: Child care prices represent the median market rate price parents are charged for care without factoring in subsidies. Amounts shown are an average of median child care prices across the following care types: infant center- and home-based care; toddler center- and home-based care; preschool center- and home-based care; and school-age center- and home-based care. Colorado, the District of Columbia, Indiana and New Mexico did not report any prices.

Source: U.S. Department of Labor, National Database of Childcare Prices

Costs of care vary by type of provider and modality of care, age of the child, location, and the duration of care. Center-based care tends to be more expensive than home-based care, and infant care is the priciest because of mandated staffing ratios that are less than those for older children.²⁹

According to U.S. DOL, annual average child care prices for one child in New York in 2023 were about \$12,000 for home-based care, \$17,476 for toddler center-based care and \$20,459 for infant center-based care.³⁰ Prices in New York were consistently among the five most expensive states for these and the other types of care.

The NYS DOL publishes an [interactive dashboard and map](#) that provides county data on median family income, market rate annual costs by type of modality, and labor force participation rates.

The dashboard shows New York county-level annual child care costs³¹ range from:

- 10.2 to 36.6 percent of median family income for infant center-based care;
- 9.6 to 28.4 percent of median family income for toddler center-based care; and
- 6.8 to 17.6 percent of median family income for toddler home-based care.

How Can Prices Be So High, But Wages Be So Low?

Average child care prices in New York are among the highest in the nation and can represent a sizable portion of a household budget, particularly for workers early on in their careers. Yet despite these high prices, the workers that provide care earn wages that are only slightly above the State's minimum wage for work that is demanding and requires their constant attention.

Child care providers operate under a multitude of requirements governing staffing, facilities, insurance and numerous other aspects of their operation and service. Care requires personnel on site, and cannot be substituted by technology or capital improvements. As a result, many providers operate on margins that are usually less than 1 percent, according to the [findings](#) published in a report by the U.S. Treasury Department in 2021.

To pay workers more, providers would have to increase prices charged to parents since there is limited ability to decrease or find efficiencies in other expenses. However, there is a limit to how much prices can increase relative to the salaries of one or more parents; a price that is too high will cause a parent to reduce the amount of service sought or forego it entirely, and potentially to reduce work hours or leave the workforce entirely to provide care themselves. Subsidies may help low- and moderate-income parents afford the costs, but may not be sufficient or available for others.

A 2021 report produced by the [U.S. Treasury Department](#) states that the child care sector is experiencing several market failures, and concludes the sector “*survives with non-profit donations and public funding, and by keeping costs low by cycling through low-wage, non-unionized providers, many of whom rely on public services for their own economic needs.*” At the time of the report's release, Treasury Secretary [Janet Yellen stated](#), “*The free market works well in many different sectors, but child care is not one of them. It does not work for the caregivers. It does not work for the parents. It does not work for the kids. And because it does not work for them, it does not work for the country.*”

The introduction of universal pre-kindergarten (UPK) has had important implications both for parents and providers. Parents getting their three or four year olds into State-administered prekindergarten programs do not pay tuition. According to New York State Education Department (NYSED) data, UPK programs served approximately 119,000 four year olds and nearly 40,000 three year olds in the 2023-24 school year.³² Approximately 60 percent of these children lived in New York City, with nearly 38 percent of the total receiving UPK services in public schools and another third in day care centers. The remainder received UPK services in nonpublic schools, Head Start programs, nursery schools, community-based organizations (CBOs) and various other settings.

The State Child Care Availability Task Force's 2024 report describes free pre-K programs for three and four year olds as “well-intentioned,” but with “unintentional consequences for many child care programs.”³³ The report does not elaborate on the consequences, but the Policy Equity Group, a national early childhood care and education advocate, says placing the bulk of UPK slots in public schools and not increasing subsidies for infant and toddler care could deprive child care programs of the four year olds that offset their cost of providing more resource-intensive infant and toddler care.³⁴



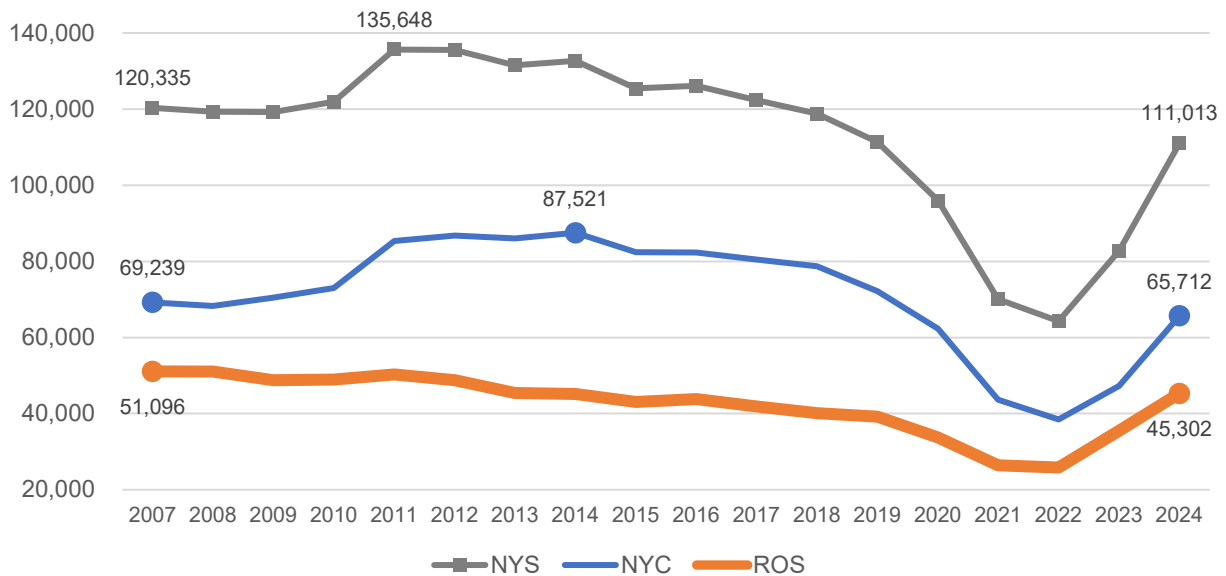
Child Care Subsidies

In recognition of the burden that high prices may impose, particularly on low-income families, subsidies for child care are available through the State’s Child Care Assistance Program (CCAP), which is administered by local departments of social services (LDSSs) and overseen by OCFS.³⁵ With legislation enacted as part of the State Fiscal Year (SFY) 2023-24 Enacted Budget, eligibility for child care assistance has been standardized across all LDSSs.³⁶ An LDSS determines a family’s eligibility for child care subsidies and issues a child care certificate to a child’s parent or caretaker.³⁷

Eligibility for subsidies has been expanded in recent years; prior to the SFY 2022-23 Enacted Budget, eligibility was limited to 200 percent of the federal poverty threshold (or approximately \$55,500 for a family of four), although income is only one factor to qualify for assistance.³⁸ Over successive budgets, it has increased so that a family of four earning about \$108,000 per year can qualify for subsidies.

In the period between July 2023 and June 2024, more than 111,000 children received subsidized child care, on average. The number of children receiving subsidized care in New York peaked in 2011, then decreased almost every year until 2023, as shown in Figure 12. Enrollment dropped below 65,000 children in 2022; it has grown since but remains below the 2011 peak in 2024.

Figure 12
Average Annual Number of Children Receiving Subsidized Child Care in New York State, New York City and Rest of State (ROS), 2007 – 2024



Note: Data for all years, except 2024, are for annual periods from July to June, as found in annual legislative reports on public assistance available at <https://otda.ny.gov/resources/legislative-report>. Averages for 2024 are for the period from July 2023 through June 2024 and are calculated using CCAP Monthly Case and Child Counts available at <https://ocfs.ny.gov/programs/childcare/data/#ccap-data>.

Sources: NYS OCFS and OTDA

Federal and State laws and regulations set parameters for determining child care subsidy payments. Rates are required to be set to ensure equal access.³⁹ Payments are limited to the actual cost of care, which is the rate usually charged by providers for non-subsidized services, up to the market rate. Market rates are determined based on the results of a survey of providers, and are the prices that parents are charged for care.⁴⁰ Rates can be differentiated based on geographic location, setting, age groups, special needs, non-traditional hours, homelessness and other conditions.⁴¹

New payment rates effective October 1, 2024 are set at “no less than” the 80th percentile of OCFS’s 2023 market rate survey conducted between September 18 and November 13, 2023, with exceptions “in some instances to provide a minimum 5% increase from the 2022 market rates to allow providers to better meet health, safety, quality and staffing requirements for high quality child care.”⁴²

Eligible families have to pay part of their child care costs (i.e., family share co-payments);⁴³ however, some families are exempt, and in recent years, the State has increasingly limited co-payments so that now they are to comprise no more than 1 percent of a family’s income above the federal poverty level.

- For example, a single parent seeking a day care center slot for an infant in New York City could expect the annual costs of the slot to range from \$24,789 to \$28,572, and to receive child care subsidies totaling \$20,800 per year to help pay for the slot.
- By comparison, a single parent seeking a day care center slot for an infant in Buffalo could expect the annual costs of the slot to range from \$18,432 to \$21,213 and to receive \$17,680 in annual subsidies to help pay for the slot.
- In both cases, a parent making \$60,000 per year would pay no more than \$7.50 per week or about \$390 per year for the slot, if it is available.⁴⁴

Any difference between the costs of the slot and the payments to the provider (i.e., the CCAP subsidies and the parent’s share) would be borne by the provider. Some providers may absorb the difference in hopes of retaining the child as he or she grows older and does not cost as much to care for; other providers may simply refuse to take a child with subsidies because they do not think they can afford to.

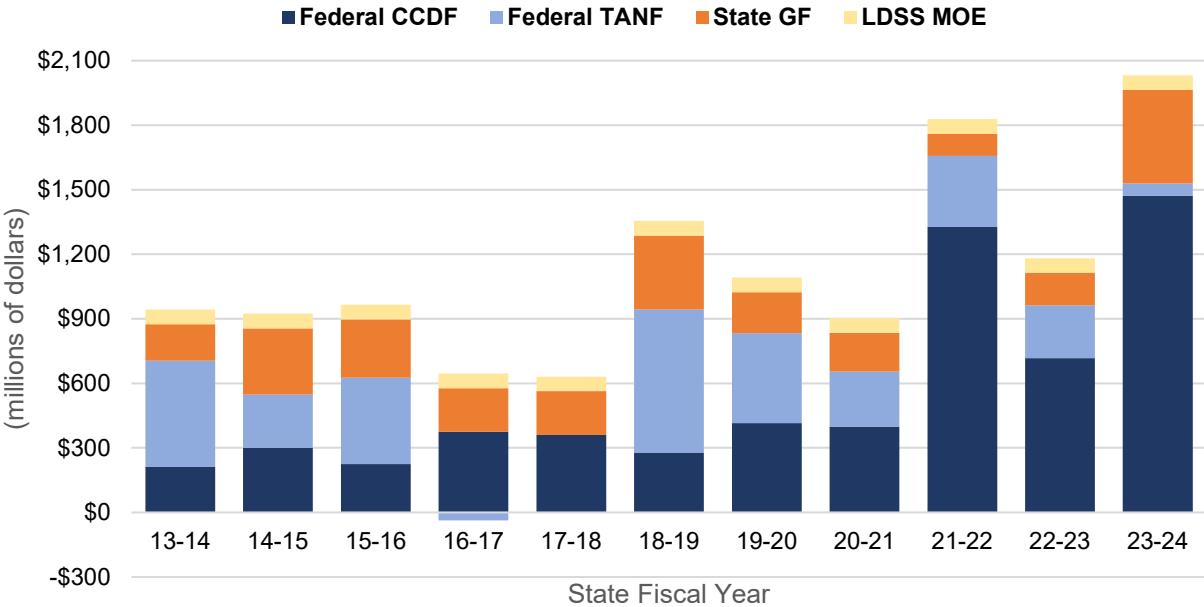
Child Care Funding and Policy

Large Recent Increase in Federal Support

Public spending on child care assistance comes from federal, state and local resources. The primary federal source is the Child Care and Development Fund (CCDF). In addition, the State allocates fundings from the Temporary Assistance for Needy Families (TANF) program to CCDF; federal statute authorizes states to transfer up to 30 percent of TANF block grant allotments to the CCDF.⁴⁵ The State also contributes its own resources through the General Fund. Under a maintenance of effort (MOE) requirement, local social service districts (LDSS) must also maintain a certain level of local spending to participate in the program.⁴⁶

Spending on New York’s Child Care Assistance Program (CCAP) relies significantly on federal funding, which accounted for nearly three-quarters of about \$12.5 billion in overall program spending from April 2013 through March 2024. CCAP funding totaled \$2.0 billion in SFY 2023-24 – a 115 percent increase over SFY 2013-14.

Figure 13
New York CCAP Spending by Source, SFY 2013-14 – SFY 2023-24



Note: Negative amounts for Federal TANF spending in SFY 2016-17 and 2017-18 represent the shifting of expenses originally applied to the TANF grant in order to meet federal regulations requiring matching or maintenance of effort.

Source: Office of the New York State Comptroller

As shown in Figures 13 and 14, substantial spending increases in recent years are largely due to supplemental federal pandemic funding, but also reflect growth in regular, non-pandemic federal allocations and greater State spending for child care services. Some fluctuations in federal and State spending can result from the way the State spends specific funding sources to meet spending deadlines, according to the New York State Division of the Budget (DOB).⁴⁷

Federal child care pandemic funding allocated to New York totaled \$2.45 billion, and is expected to be disbursed by the end of SFY 2024-25:

- \$163.6 million provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020;
- \$468.8 million provided by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) of 2021; and
- \$1.8 billion provided by the American Recovery Plan Act (ARPA) of 2021.

Detailed, up-to-date information on the disbursement of federal pandemic funding for child care and other functions is available on the Office of the State Comptroller's [COVID-19 Relief Program Tracker](#).

Figure 14
Federal Child Care Spending in New York, SFY 2020-21 – SFY 2024-25
 (in millions of dollars)

	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Regular	\$340.0	\$340.4	\$373.6	\$670.0	\$502.1	\$2,226.2
TANF Federal	\$255.4	\$329.6	\$246.3	\$59.2	\$278.1	\$1,168.6
Pandemic Federal	\$58.7	\$986.7	\$343.0	\$800.6	\$261.7	\$2,450.7
Total Federal	\$654.0	\$1,656.7	\$963.0	\$1,529.9	\$1,041.9	\$5,845.5

Note: SFY 2024-25 amounts reflect amounts through October 31, 2024, not the entire fiscal year.

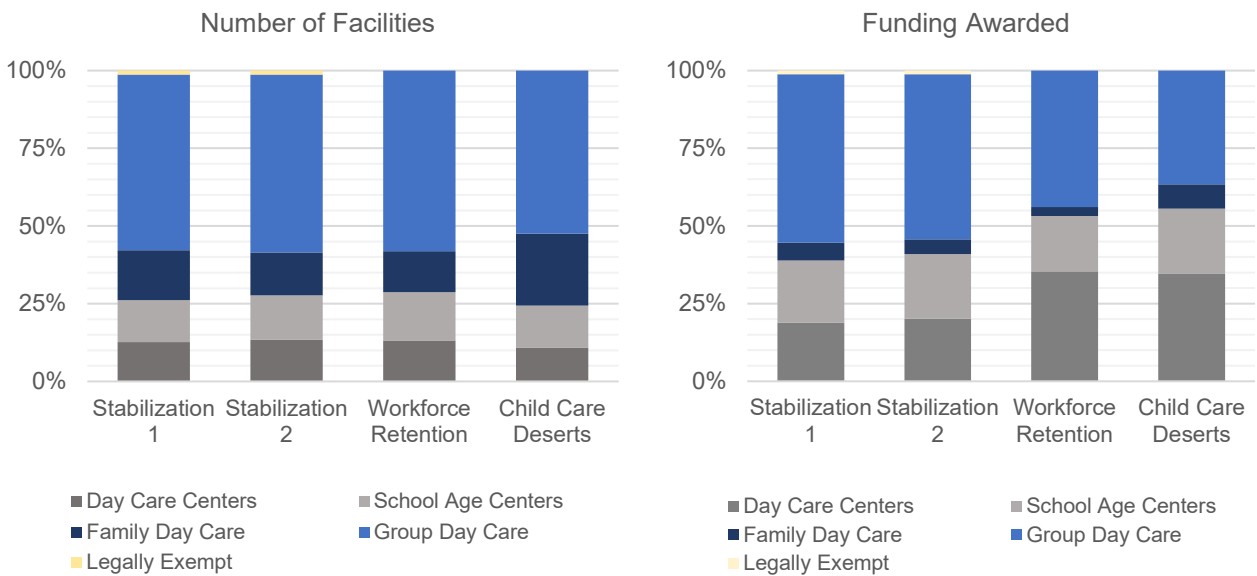
Source: Office of the State Comptroller

These temporary federal relief funds were used largely for one-time grants intended to stabilize providers' operations, enhance workforce recruitment and retention, and provide incentives to enhance supply of child care slots in deserts.

- **Stabilization grants.** The largest portion of the federal child care pandemic spending, totaling more than \$1.16 billion, supported the costs of operations for child care providers in the state. Providers could spend these funds on operating expenses such as rent, personal protective equipment, paying for past expenses, and, crucially, wages and other benefits for personnel.⁴⁸ According to data released by OCFS in December 2024, \$885.1 million was awarded to assist 14,884 providers in its first round of stabilization grants.⁴⁹ A second round of stabilization grants, at least 75 percent of which were required by the SFY 2024 Enacted Budget to support workforce initiatives, provided \$277 million to 12,846 providers.⁵⁰ As shown in Figure 15, more than 70 percent of facilities receiving grants under these programs were home-based providers. The Office of the State Comptroller [released an audit](#) of stabilization grants in November 2024.

- **Workforce retention.** OCFS data released in December 2024 indicate OCFS provided nearly \$600 million to 13,737 providers to support other efforts to recruit and retain staff. These funds also allowed for “bonuses” to the child care workers of \$2,300 to \$3,000 that were provided to 79,525 workers.⁵¹
- **Enhancing supply in deserts.** The State authorized \$100 million in ARPA discretionary funding to provide \$100 million in “child care desert” grants, with \$30 million made available to existing providers, to enhance supply.⁵² OCFS data released in December indicate grant awards totaling \$40.4 million have been made to 586 facilities to date; of this, 24 percent of awards and 56 percent of grant dollars were made to center-based providers.

Figure 15
Share of Providers and Dollars Awarded Under Federal Pandemic Grant Programs by Facility Type



Note: Data downloaded as of December 9, 2025. Group Day Care (licensed by New York City) and Group Family Day Care entries combined and shown as “Group Day Care.”

Source: NYS OCFS

Recent Policy Changes

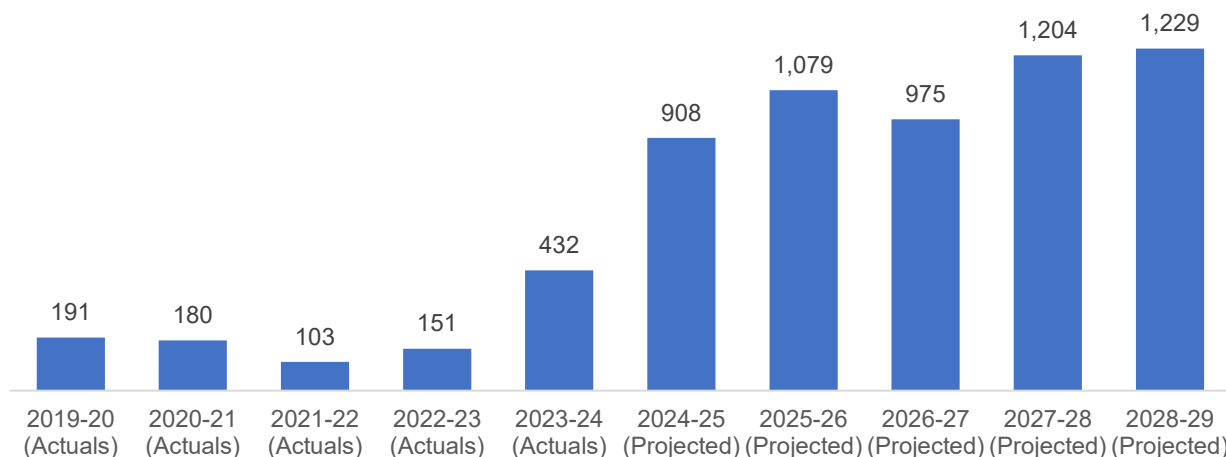
Increased federal pandemic response funding also backed other actions that provided eligibility improvements and benefit enhancements, policy changes that require recurring funding. For example, the SFY 2022-23 budget reappropriated federal funding originally appropriated in the SFY 2021-22 budget to raise provider payment rates from the 69th to the 80th percentile of current child care market rates and increased eligibility, among other changes.⁵³

In addition, the SFY 2023-2024 Enacted Budget included significant new measures to:

- Further expand eligibility for subsidies to 85 percent of State Median Income (\$108,631.70 for a family of four for the period from June 1, 2024 through May 31, 2025);⁵⁴
- Limit co-payments for families receiving child care subsidies to no more than 1 percent of a family’s income above the federal poverty threshold;⁵⁵
- Provide payment for up to 80 absences per child per provider per year;⁵⁶ and
- Establish a new State tax credit for businesses that create new child care slots or expand the number of existing child care slots for their workers, up to \$25 million per year in 2023 and 2024.⁵⁷

However, as the pandemic funding is used up, the SFY 2025-26 Executive Budget Financial Plan indicates the State will assume support for child care subsidies previously funded with federal resources, as well as additional funding for child care providers who meet certain quality standards, provide services to certain populations, or are open during non-traditional work hours. As a result, OCFS State operating support is projected to grow from \$432 million in SFY 2023-24 to \$1.2 billion starting in SFY 2027-28.⁵⁸

Figure 16
OCFS State Operating Funds Support for Child Care Subsidies, SFYs 2019-20 – 2028-29
(dollars in millions)



Source: Enacted Budget Financial Plans for SFYs 2019-20 through 2024-25; Executive Budget Financial Plan for SFY 2025-26

In addition, the SFY 2024-25 Enacted Capital Plan projects \$25 million in spending for existing or proposed day care centers and school-age child care programs in SFY 2024-25.⁵⁹ Additional disbursements of \$12.5 million in each of the next two State fiscal years would support an estimated 5,500 seats in child care facilities across the state.⁶⁰ The SFY 2025-26 Executive Budget also includes a new proposal for \$100 million in capital funding for the construction and expansion of child care centers.

In addition to taking actions to expand availability and enhance affordability, the State has taken steps to facilitate access by launching a digital portal to apply for child care subsidies online⁶¹ and, more recently, mandating the use of a presumptive eligibility standard for child care assistance, a measure intended to ease administrative burdens and delays.⁶²

Besides State policy changes, the federal Health and Human Services Department (HHS) issued a final rule in March 2024 making regulatory changes that are intended to “lower child care costs for families participating in CCDF, improve child care provider payment rates and practices, and simplify enrollment in the child care subsidy program.”⁶³ These changes include limits on co-payments to 7 percent of income; waivers of co-payments for certain families;⁶⁴ alignment of payment practices for providers serving children receiving CCDF assistance and those who do not;⁶⁵ and requiring states to use grants and contracts for direct services for children in underserved geographic areas, infants and toddlers, and children with disabilities.

OCFS submitted its [draft CCDF Plan](#) for federal fiscal years 2025 to 2027, which was conditionally approved for federal fiscal years 2025-2027.⁶⁶ The conditional approval letter requires OCFS to submit a CCDF Plan amendment showing compliance with the 2024 CCDF final rule requirements. In November 2024, the federal government also approved OCFS’s request for temporary waivers, through August 1, 2026, of 2024 CCDF final rule requirements to limit co-payments on families receiving CCDF assistance to 7 percent of family income, provide prospective provider payments and base those payments on a child’s authorized enrollment, and post monitoring and inspection reports to the OCFS website for all state child care providers.⁶⁷ As noted, New York has policies limiting and waiving co-payments for certain families.⁶⁸

Conclusion

Challenges in the child care sector remain a pressing problem with implications for the economic growth of the nation and our State. Limited availability, including restrictive operating hours, may pose a barrier to workforce entry for parents, especially in rural areas. High prices can strain household budgets and may ultimately spur workers – typically women – to reduce their hours or exit the workforce.⁶⁹ Yet even with high prices, many providers operate on thin margins, with financial and regulatory pressures that make expansion or even operating at capacity challenging. Staffing remains a perennial challenge, as workers receive wages and benefits lower than those offered by firms for positions that require less skill and attention.

New York State has taken numerous actions related to child care in recent budgets, particularly with respect to affordability, by increasing eligibility for subsidies and capping co-pays. The Financial Plan indicates a commitment to increase State-supported resources for the childcare system to more than \$1 billion annually. The Executive [recently announced](#) the intent to create a coalition of representatives from business, unions, and child care providers that would identify a “responsible and sustainable” path toward funding Universal Child Care. This commitment is laudable, and will require State efforts to ensure resources are utilized effectively, including actions such as:

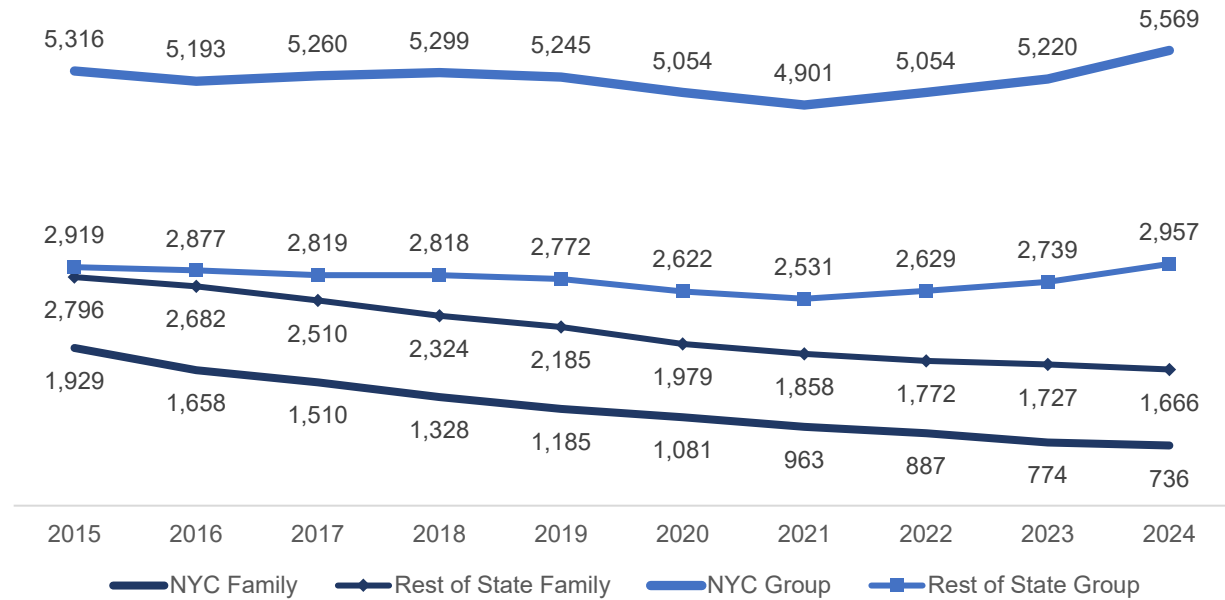
- Placing a priority on reforming data collection to allow for more precise and timely assessment of true child care availability by modality and by locality, including operational and open slots;
- Making it easier for families to find care, including improving awareness of benefit eligibility, application for and award of benefits, and ability to search for providers;
- Monitoring and reporting on the outcomes of capital spending and tax credits intended to enhance supply of child care slots so that these programs can be adjusted as needed;
- Considering efforts to boost home-based providers in rural areas, where relatively small increases in capacity could be meaningful; and
- Exploring whether additional changes to the cost study and payment mechanisms, such as those required under new federal regulations or providing payment based on additional factors, such as actual enrollment, would yield improvements in availability and equity, including for children with disabilities or parents working nontraditional hours.

The Child Care Availability Taskforce Reports make additional recommendations worth considering, particularly with respect to providing business supports and regulatory relief to providers and stabilizing and developing the workforce.

Challenges with recruitment, retention and development of staff are impediments to expanding child care availability, and are not limited to New York’s providers. Federal bills that recognize bolstering the workforce (through support for wages, benefits, and professional development) is an essential ingredient for success should be supported.⁷⁰

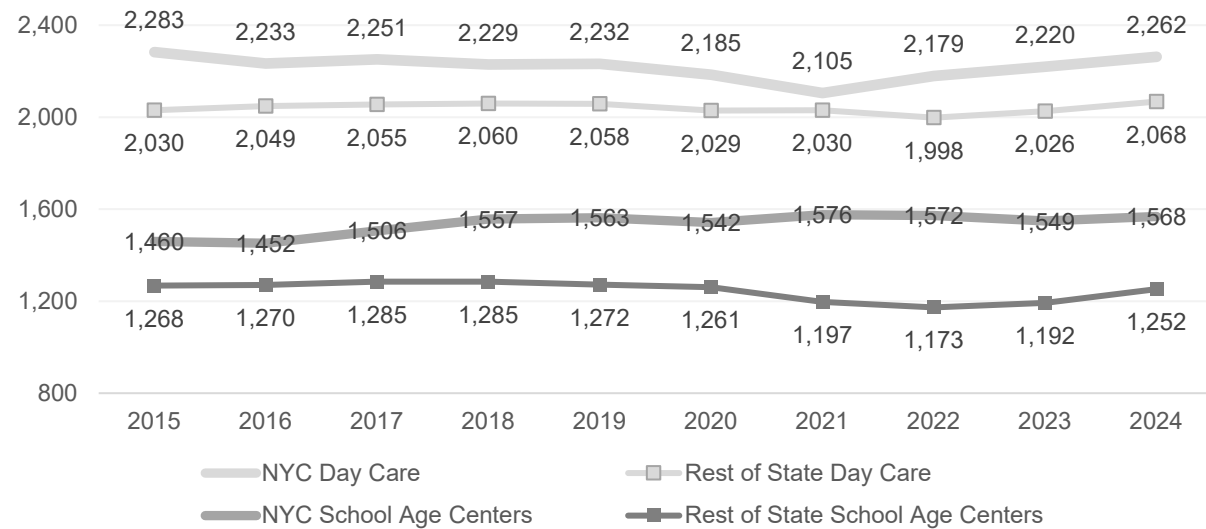
Appendix A: Providers by Type of Care and Location

Home-Based Child Care Providers, New York City and Rest of State, 2015 – 2024



Source: OCFS

Center-Based Child Care Providers, New York City and Rest of State, 2015 – 2024



Source: OCFS

Appendix B: Methodology for School District Availability Analysis

Child care capacity data came from two sources. For providers that are licensed and registered by the New York State Office of Children and Family Services (OCFS), the [Child Care Regulated Programs dataset as of February 20, 2024 was used](#). Data on providers permitted and regulated through the New York City Department of Health and Mental Hygiene (DOHMH) in New York City were taken from facility inspections on the [NYC Open Data portal](#), and were current as of April 26, 2023. The OCFS dataset includes Day Care Centers outside of New York City, Small Day Care Centers, Family Day Care Homes and Group Family Day Care Homes, but excludes legally exempt providers such as pre-kindergarten and nursery school programs operated by public school districts or by private schools, summer day camps, and child care programs not operating in a residence that care for no more than six school-age children during non-school hours. The DOHMH data includes day care centers in New York City. Family Day Care Homes and Group Family Day Care Homes in New York City appear in the OCFS data. No providers appear in both the OCFS and New York City DOHMH data. The 2020 U.S. Census was used to determine the population ages 0-12.

In order to align the 2020 census counts of children to the school districts, the school district boundaries from the [U.S. Census TIGER/Line Shapefiles](#) were used. New York State has three types of school districts: unified, elementary, and secondary. Unified school districts, which include central school districts, make up nearly all school districts, but there are a number of elementary and secondary districts, mostly in Nassau County. Since this report focuses on child care, the elementary school districts are used to fill the gaps not covered by unified school districts. The Census school district boundaries were then verified against [the School Districts Boundaries file provided on the New York State GIS Clearinghouse](#). This process revealed that the Census boundaries had an error where portions of the Indian River Central School District and the Carthage Central School District were grouped into “unallocated” space. The Census boundaries were then corrected to properly allocate that space to the districts. U.S. Census boundaries were used to easily differentiate the elementary school boundaries from the secondary districts in which they are nested, and to be able to easily allocate 2020 census counts of children to school districts. The school district boundaries from the NYS GIS Clearinghouse did not include a census geoid field. As a result, the names of the school districts are as they appear in the Census TIGER/Line shapefiles.

The OCFS data is available to download as a GIS shapefile. Child care providers in the data were geocoded by OCFS to a latitude/longitude pair that can be projected as a point on a map. For New York City, OCFS provider capacities were aggregated by borough using the “county” field within the data. Outside of New York City, the OCFS child provider capacities were aggregated by school district by joining the provider layer to the districts layer and used the summing function on the capacity fields in the Geographic Information Systems software.

The New York City DOHMH regulated providers and their capacities were extracted from child care center inspection data, and the capacities were aggregated by borough. Because child care centers are regularly inspected, many child care centers appear multiple times in the data. Duplicate providers were removed while keeping data from the most recent inspection to more accurately reflect capacity. Legally exempt providers that are subject to inspection such as summer day camps were removed from the data with the exception of 102 school-based child care centers which provide care for children two to five years old, typically associated with religious institutions. Only one borough, Staten Island, had a child per slot ratio that was impacted by this decision.

Within the OCFS data, there were providers which appeared in the data set but were not assigned a latitude/longitude (were un-geocoded). Un-geocoded providers within New York City were already allocated to a borough using the county field, leaving 372 providers in the rest of the State. Where possible, the capacities of these providers was allocated to a school district using the “school_dis” field, and these providers’ locations were manually verified when the school district naming conventions differed significantly between the OCFS data and the Census school district boundaries, or when the OCFS field could apply to multiple districts (e.g. “Glens Falls” could refer to Glens Falls CSD, Glens Falls City District, or potentially even South Glens Falls CSD). Of the 372 providers outside of New York City that were not geocoded, 31 had null values in the “school_dis” field. These were manually geocoded in ArcGIS and their capacities assigned to a district. The address geocodes in ArcGIS were also compared to Google Maps to ensure accuracy. Since the school district names are as they appear in the Census TIGER/Line shapefiles, there are two consolidated school districts where the OCFS “school_dis” field did not map to a school district name in the Census shapefiles. The Mohawk and Illion districts in the OCFS data were manually assigned to the Central Valley CSD, and the Bridgewater and West Winfield districts were manually assigned to the Mount Markham school district.

The above methodology was used in favor of relying on the OCFS county and school district coding. School district coding uses different (shortened mostly) verbiage than the Census TIGER/Line data, and without a common unique identifier, aligning these data would be difficult. There were also errors identified in the OCFS school district and county coding. Child care capacity outside of New York City was aggregated by county using the same method as school districts. With the exception of the manually assigned un-geocoded providers, no attempt was made to verify or correct the locations or coding of the 7,345 providers in the OCFS data. Within New York City, child care was aggregated using the County field within the OCFS data.

The population density calculation was made using the land area data from the Census TIGER/Line shapefile, converted from square meters to square miles, and calculated using the total populations of the districts from 2020 U.S. Census Table DP1: Profile of General Population and Housing Characteristics.

The children-per-child care slot ratios were calculated using the population ages 0 to 12 from the 2020 Census divided by the aggregated district/borough child care capacities. For correlation tests, child care slots per child were used instead of children per child care slot so that a positive relationship indicates more availability, and to avoid ratios that divide by zero due to a lack of providers within a district. Child care slots per child were calculated using the same methodology, but instead dividing the aggregated capacity by the population ages 0 to 12. The modality of child-care (infant, toddler, pre-school and school age) was not considered in the creation of the availability ratio. While modality capacity does exist within the data, the OCFS data on Family Day Care Homes and Group Family Day Care homes codes this data within a single text field, the formatting of which presents challenges to conversion into numerical capacities by modality.

Endnotes

- ¹ New York City Human Resources Administration, Family Independence Administration, “Important Information About Child Care,” <https://www.nyc.gov/assets/hra/downloads/pdf/benefits/FIA-1144.pdf>.
- ² For those receiving center-based care. From the National Survey of Early Care and Education, “How Far are Early Care and Education Arrangements from Children’s Homes?” November 2016, https://www.acf.hhs.gov/sites/default/files/documents/opre/distance_to_ece_factsheet_111716_b508.pdf.
- ³ In this report, child care providers refers to those licensed and registered through the New York State Office of Children and Family Services (OCFS) or permitted and regulated by the New York City Department of Health and Mental Hygiene (NYC DOHMH), and excludes informal child care providers and providers such as summer camps that operate seasonally. OCFS is responsible for licensing and registering all child care providers outside of New York City, as well as New York City home-based providers and school age child care centers. Day care centers are licensed, and home-based providers are registered. Day care centers are permitted and regulated by the NYC DOHMH. OCFS states generally child day care programs serving at least three children for more than three hours per day regularly must obtain a license or registration. See New York State Compilation of Codes, Rules and Regulations (NYCRR), Title 18, Part 413; and OCFS, “Starting a Child Care Program,” accessed October 1, 2024, <https://ocfs.ny.gov/programs/childcare/providers>.
- ⁴ OCFS, “Child Care Facts and Figures,” accessed July 11, 2024, <https://ocfs.ny.gov/programs/childcare/data/#facts-figures>.
- ⁵ OCFS figures do not include legally exempt group providers, such as summer day camps, programs caring for no more than six school-age children during non-school hours, and others. These providers are not required to be licensed or registered, but must meet minimum health and safety standards. See NYCRR, Title 18, Part 415, Child Care Services, <https://ocfs.ny.gov/programs/childcare/regulations/415-Child-Care-Services.pdf>.
- ⁶ Day Care Centers provide care for seven or more children ages 6 weeks to 12 years old (though typically under 6 years old) in a center that is not a residence. School Age Centers provide care in a non-residence facility outside of normal school hours for children enrolled in kindergarten (or age 6) and older.
- ⁷ Group Family Day Care Homes must have a minimum of 2 caregivers. See NYCRR, Title 18, Article II, Part 413, <https://ocfs.ny.gov/programs/childcare/regulations/413-Definitions.pdf>.
- ⁸ Between 2019 and 2021, the number of home-based providers declined by 10 percent and the number of center-based providers declined by 3 percent.
- ⁹ NYCRR, Title 18, Article II, Parts 416 and 417, <https://ocfs.ny.gov/programs/childcare/regulations>.
- ¹⁰ NYCRR, Title 18, Article II, Part 418, <https://ocfs.ny.gov/programs/childcare/regulations/418-1-DCC.pdf>.
- ¹¹ New York City Department of Health and Mental Hygiene, “Article 47: Child Care Programs and Family Shelter-Based Drop-Off Child Supervision Programs,” <https://www.nyc.gov/assets/doh/downloads/pdf/about/healthcode/health-code-article47.pdf>.
- ¹² QCEW data are for the Child Care Services sector (NAICS:6244) and include “establishments primarily engaged in providing day care of infants or children,” including child day care babysitting services, nursery schools, child or infant day care centers, and preschool centers. Data from the QCEW are based on unemployment insurance system records. New York State Department of Labor (NYS DOL), <https://dol.ny.gov/quarterly-census-employment-and-wages>.
- ¹³ NYS DOL, *2023 Child Care in New York State*, February 2024, <https://dol.ny.gov/system/files/documents/2024/02/2023-child-care-report.pdf>.
- ¹⁴ NYS DOL, Staffing Patterns, Occupational Employment by Industry, New York State Employment and Wages for 6244: Child Day Care Services, accessed October 21, 2024, <https://dol.ny.gov/staffing-patterns>; Staffing Patterns data come from the Occupational Employment and Wage Statistics (OEWS) survey. The exact value for New York State Median Wage from OEWS is \$58,603.
- ¹⁵ Based on 2,080 hours worked annually.
- ¹⁶ NYS DOL, Minimum Wage Lookup, accessed December 23, 2024, <https://ux.labor.ny.gov/minimum-wage-lookup>.
- ¹⁷ New York State Department of Labor, Quarterly Census of Employment and Wages, accessed October 24, 2024, at <https://dol.ny.gov/quarterly-census-employment-and-wages>.

- ¹⁸ See for example, survey results summarized by the National Association for the Education of Young Children (NAEYC) in “NAEYC Survey Shows Child Care Crisis Worsening After Federal Funding Expired,” February 25, 2024, https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/2.24_naeyc_survey_press_release_final_1.pdf.
- ¹⁹ U.S. Department of Treasury, *The Economics of Child Care Supply in the United States*, September 2021, <https://home.treasury.gov/system/files/136/The-Economics-of-Childcare-Supply-09-14-final.pdf>.
- ²⁰ See, among others, NAEYC, “We Are NOT OK:” Early Childhood Educators and Families Face Rising Challenges as Relief Funds Expire,” February 2024, https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/new_york_2024_feb_statebystate.pdf; New York State Child Care Availability Task Force (NYSCCATF), 2021 Final Report, “Supporting Families, Employers & New York’s Future,” <https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report-2021.pdf>; and “Making Child Care More Affordable, Accessible and Equitable for New Yorkers Child Care Availability Task Force Report,” April 2024, <https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report-2024.pdf>.
- ²¹ NYSCCATF, 2021 Final Report, “Supporting Families, Employers & New York’s Future,” <https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report-2021.pdf> and NYSCCATF, 2024 Final Report, “Making Child Care More Affordable, Accessible and Equitable for New Yorkers,” <https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report-2024.pdf>.
- ²² Data for all available child care slots, including school aged programs, as of February 20, 2024 for day care centers outside of New York City and home-based day cares throughout the State, and as of April 26, 2023 for day care centers in New York City.
- ²³ For providers that are licensed and registered by OCFS, the Child Care Regulated Programs dataset as of February 20, 2024 was used. Data on providers regulated through the DOHMH in New York City were taken from the NYC Open Data portal and were current as of April 26, 2023. The 2020 U.S. Census was used to determine the population ages 0-12. 2020 U.S. Census data (Table D1: Demographic Profile and Table P14, Sex by Age for the Population Under 20 Years) were used to calculate the population of children age 0-12 for each of the geographic areas. While more recent American Community Survey (ACS) data is available, the decennial census data has two advantages: counts are available for each year of age, enabling calculations of population for the age range (0-12) that matches the age range served by child care facilities in the State, and unlike the ACS, the decennial census is not an estimate, and so lacks the high margins of error found in the ACS data for small school districts.
- ²⁴ The correlation coefficient (r) of 0.22539 indicates a weak positive relationship between the number of slots per child, and the population density of a district. There are 676 School Districts in the dataset (n). This relationship, while weak, is statistically significant. A number of correlations were calculated for district variables, including racial and ethnic percentages, which also have significant relationships to population density.
- ²⁵ See review of literature presented in John W. Sipple, Lisa A. McCabe and Hope G. Casto, “Child care deserts in New York State: Prekindergarten implementation and community factors related to the capacity to care for infants and toddlers,” *Early Childhood Research Quarterly* v. 51 (2020), pp. 167-177.
- ²⁶ U.S. Department of Labor, National Database of Childcare Prices: 2018 and 2023 State-Level Estimates, <https://www.dol.gov/agencies/wb/topics/featured-childcare>.
- ²⁷ Unadjusted percent change, as reported in https://www.bls.gov/news.release/archives/cpi_09132023.pdf and <https://www.bls.gov/news.release/cpi.t07.htm#cpiress7.f.11>.
- ²⁸ Georgia Poyatzis and Gretchen Livingston, “NEW DATA: Childcare costs remain an almost prohibitive expense,” November 19, 2024, U.S. Department of Labor Blog, <https://blog.dol.gov/2024/11/19/new-data-childcare-costs-remain-an-almost-prohibitive-expense>.
- ²⁹ Liana Christin Landivar, et. al. “Childcare Prices in Local Areas,” January 2023, Women’s Bureau of the U.S. Department of Labor, https://www.dol.gov/sites/dolgov/files/WB/NDCP/WB_IssueBrief-NDCP-final.pdf; and New York State Department of Labor, “2023 Child Care in the State of New York,” <https://dol.ny.gov/system/files/documents/2024/02/2023-child-care-report.pdf>.
- ³⁰ Exact values were \$11,378 for school-age home-based care and \$11,928 for pre-school home-based care.
- ³¹ Based on 2023 New York State market rates per county based on the 80th percentile of the 2021-22 New York State Child Care Market Survey.
- ³² NYS Education Department, Prekindergarten Data, 2023-2024 Prekindergarten Students Served, <https://www.nysed.gov/sites/default/files/programs/early-learning/2023-24-prekindergarten-students-served.xlsx>; and New York State (NYS) Administered Prekindergarten Fast Facts, <https://www.nysed.gov/sites/default/files/programs/early-learning/nys-administered-prekindergarten-fast-facts.pdf>.

- ³³ New York State Child Care Availability Task Force, 2024 Report, “Making Child Care More Affordable, Accessible and Equitable for New Yorkers,” <https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report-2024.pdf>.
- ³⁴ Policy Equity Group, “Universal Pre-K only works if states also stabilize infant and toddler care; otherwise, it can be detrimental,” <https://policyequity.com/universal-pre-k-only-works-if-states-also-stabilize-infant-and-toddler-care-otherwise-it-can-be-detrimental/>.
- ³⁵ For an LDSS to participate in the CCAP, the commissioner of the LDSS is required to comply with NYSCCBG program requirements described in State Social Services Law, State regulations and OCFS policy directives.
- ³⁶ Until October 2023, LDSSs could set different standards by which families may receive child care assistance benefits. After prioritizing federally mandated groups (such as families with very low incomes, children with special needs and children experiencing homelessness), LDSSs could establish local priority populations – such as teen parents, parents in substance use treatment programs, and victims of domestic violence – and establish funding “set-asides” to meet local needs, such as payments to providers for transportation services or for program closures. The SFY 2023-24 Enacted Budget eliminated local priorities and set-asides, standardizing statewide eligibility for child care assistance across all LDSSs and allowing OCFS to establish priorities for eligible families to receive child care funding. Families designated a local priority as of September 30, 2023 continue to be eligible for child care assistance if they meet all other eligibility requirements
- See OCFS Administrative Directive, 23-OCFS-ADM-18, “2023 Changes to Child Care Assistance Regulations: Parts 404 and 415,” October 6, 2023, at <https://ocfs.ny.gov/main/policies/external/2023/adm/23-OCFS-ADM-18.pdf>.
- ³⁷ The certificate verifies that the parent or caretaker is eligible for subsidized child care services and is used by the parent or caretaker to assist in arranging child care. The certificate contains information on the date of authorization, a description of authorized services and whether care is full or part time, and parent fees, if any. The certificate allows a parent or caretaker the option to choose from a variety of child care categories, such as private, not-for-profit, faith-based providers; day care centers; family child care homes; or in-home providers.
- ³⁸ Governor Kathy Hochul, “Governor Hochul Launches Statewide Campaign To Highlight Funding for Child Care Providers and Families,” press release, August 30, 2022, <https://www.governor.ny.gov/news/governor-hochul-launches-statewide-campaign-highlight-funding-child-care-providers-and>.
- ³⁹ Under federal and State law, OCFS child care payment rates must be “sufficient to ensure equal access to child care services for eligible children, as compared to children not eligible for assistance.” See 42 U.S. Code § 9858c (c)(4)(A) and New York State Social Services Law §410-x(4).
- ⁴⁰ State Social Services Law requires the amount of payments for child care services under the NYSCCBG to be the “actual cost of care” up to the applicable market related payment rate. State regulation defines “actual cost of care” as “the rate usually charged by the child care provider for non-subsidized child care services.” Federal regulation requires that payment rates be based on the results of the most recent market rate survey or an approved alternative methodology. See State Social Services Law §410-x(4); Title 18 New York Codes, Rules and Regulations (NYCRR) §415.1(m); and 45 Code of Federal Regulations §98.45(f)(2)(i).
- ⁴¹ State Social Services Law requires payment rates to account for variations in the costs of providing child care in different settings, age groups and for those with special needs. Local social services districts must also pay “differential” payment rates of at least 5 percent above the actual cost of care or the applicable market rate for child care during non-traditional hours (i.e., evening, night or weekend hours), for children experiencing homelessness and for services provided by nationally accredited programs.
- ⁴² OCFS Local Commissioners Memorandum, “Child Care Assistance Market Rates 2024,” August 21, 2024, <https://ocfs.ny.gov/main/policies/external/2024/lcm/24-OCFS-LCM-22.pdf>.
- ⁴³ 18 NYCRR Part 415.3(e)(1) (1) Each family receiving child care assistance must contribute toward the costs of child care services by paying a family share based upon the family's income with the following exceptions: a family where the parent(s) or caretaker relative(s) is receiving public assistance, a family experiencing homelessness, when such assistance is provided to a child in foster care, when such assistance is provided to a child as a protective or preventive service, or when such assistance is provided to a child where the child care services unit is comprised of the eligible child(ren) only. However, a family share may be required of any family to recoup an overpayment for child care services.
- ⁴⁴ OCFS Division of Child Care Services webpage, “Help Paying for Child Care - Family Share,” <https://ocfs.ny.gov/programs/childcare/ccap/help.php>.
- ⁴⁵ Federal statute, section 404(d) of the Social Security Act, authorizes states to transfer up to 30 percent of their federal TANF block grant allotments to the CCDF. See 404d of the Social Security Act, https://www.ssa.gov/OP_Home/ssact/title04/0400.htm.

- ⁴⁶ OCFS calculates the MOE by totaling the LDSS share of expenditures for certain child care services in federal fiscal year 1994-95.
- ⁴⁷ Fluctuations in federal and State support largely result from the way the State spends specific funding sources, according to the State Division of the Budget (DOB). For example, if the funding source with the nearest expiration date is federal CCDF funds, the State will charge the claims coming in against the CCDF grant regardless of which LDSS they came from. DOB follows the same procedure for the pandemic and TANF funding sources to allow the State to continue to receive those funds and meet federal spending deadlines.
- ⁴⁸ ARPA stipulated that stabilization grants could be used for personnel costs, operational costs (such as rent, utilities, facility maintenance or improvements, or insurance), PPE and other expenses necessary to respond to the COVID-19 public health emergency, goods and services necessary to maintain or resume services, and mental health supports. See American Rescue Plan Act of 2021, Section 2202, <https://www.congress.gov/bill/117th-congress/house-bill/1319/text>.
- ⁴⁹ NYS OCFS, Division of Child Care Services, "New York State Child Care Stabilization Grant Recipients as of 12/09/2024," excel download available at "Child Care Grant Programs" webpage, accessed January 2, 2025, <https://ocfs.ny.gov/programs/childcare/grants/>. The webpage provides different figures; the excel download was used as the source in the report because the figures have a more recent date.
- ⁵⁰ NYS OCFS, Division of Child Care Services, "Child Care Grant Programs" and "New York State Child Care Stabilization for Workforce Support Expenses Grant Recipients as of 12/09/2024," excel download available at "Child Care Grant Programs" webpage, accessed January 3, 2025, <https://ocfs.ny.gov/programs/childcare/grants/>. The webpage provides different figures; the excel download was used as the source in the report because the figures have a more recent date.
- ⁵¹ NYS OCFS, Division of Child Care Services, "New York State Child Care Workforce Retention Grant Recipients as of 12/09/2024," excel download available at "Child Care Grant Programs" webpage, accessed January 3, 2025, <https://ocfs.ny.gov/programs/childcare/grants/>. The webpage provides different figures; the excel download was used as the source in the report because the figures have a more recent date.
- ⁵² NYS OCFS, Division of Child Care Services, "Child Care Grant Programs," <https://ocfs.ny.gov/programs/childcare/grants/>.
- ⁵³ The SFY 2022-23 budget reappropriated federal funding originally appropriated in the SFY 2021-22 budget to (1) Raise provider payment rates from the 69th to the 80th percentile of current child care market rates, (2) Support limiting co-payments for families receiving child care subsidies to no more than ten percent of a family's income above the federal poverty level, (3) provide for 12-month eligibility for child care assistance regardless of a temporary change in work or job training/educational status, or a change in family income not exceeding 85 percent of state median income, (4) Allow payment for up to 24 absences per child per provider per year, effectively paying providers based on enrollment rather than daily attendance, and (5) Expand the category of families exempt from paying family share when assistance is provided to a child as a protective or preventive service.
- ⁵⁴ Expanded eligibility for child care subsidies to 85 percent of State Median Income followed an increase in the SFY 2022-23 Budget that raised eligibility from 200 percent to 300 percent of federal poverty guidelines.
- ⁵⁵ The SFY 2022-23 Budget previously limited co-payments for families receiving child care subsidies to no more than 10 percent of a family's income above the federal poverty level.
- ⁵⁶ The SFY 2022-23 Budget previously allowed payment for up to 24 absences per child per provider per year, effectively paying providers based on enrollment rather than daily attendance,
- ⁵⁷ The Child Care Creation and Expansion Tax Credit program provides \$25 million per year in tax credits for 2023 and 2024. The seats cannot have existed prior to April 1, 2023. The tax credit is allocated based on increased capacity in the infant and/or toddler age groups. Participating businesses must limit employee costs to no more than 40 percent of the State's weekly market rate for subsidies for infant and toddler care. See <https://ocfs.ny.gov/programs/childcare/initiatives/creation-credit.php>.
- ⁵⁸ SFY 2024-25 Enacted Financial Plan, page 126, <https://www.budget.ny.gov/pubs/archive/fy25/en/fy25fp-en.pdf>.
- ⁵⁹ SFY 2024-25 Enacted Budget Capital Program and Financing Plan, page T-124, <https://www.budget.ny.gov/pubs/archive/fy25/en/fy25cp-en.pdf>.
- ⁶⁰ Governor Kathy Hochul press release, "Governor Hochul Announces \$50 Million to Support 5,500 Child Care Seats and Highlights Expanded Access to Affordable Child Care," September 18, 2024, at <https://www.governor.ny.gov/news/governor-hochul-announces-50-million-support-5500-child-care-seats-and-highlights-expanded>.
- ⁶¹ Previously, only families in New York City and Schenectady could apply for the subsidies online; most other families had to apply by filling out a paper form. See OCFS press release, "Governor Hochul Launches Digital

Portal to Help New York State Deliver Free or Low-Cost Child Care to More Families,” July 19, 2024, <https://ocfs.ny.gov/programs/childcare/news/article.php?idx=2627>.

⁶² S4667A, Chapter 549.

⁶³ Federal Register / Vol. 89, No. 42 Improving Child Care Access, Affordability, and Stability in the Child Care and Development Fund (CCDF), March 1, 2024, <https://www.govinfo.gov/content/pkg/FR-2024-03-01/pdf/2024-04139.pdf>.

⁶⁴ Waiver of co-payments for families living at or below 150 percent of the federal poverty level, families with children in foster and kinship care, families with children with disabilities, families experiencing homelessness, and children enrolled in Head Start or Early Head Start.

⁶⁵ Requiring certification that payment practices are aligned with practices of providers who do not receive CCDF assistance is intended to “provide stability of funding and encourage more child care providers to serve children who receive CCDF assistance.” New York does not appear to require such certification at the present time.

⁶⁶ OCFS Division of Child Care Services, Federal Conditional Approval Letter, <https://ocfs.ny.gov/programs/childcare/stateplan/assets/2025-plan/FFY2025-2027-CCDF-Plan-Conditional-Approval.pdf>.

⁶⁷ OCFS Division of Child Care Services, NYS Waiver Request Letter, <https://ocfs.ny.gov/programs/childcare/stateplan/assets/2025-plan/FFY2025-2027-Waiver-Approval-Letter.pdf>.

⁶⁸ New York currently limits co-payments for families receiving child care subsidies to no more than 1 percent of a family’s income above the federal poverty threshold. New York’s current exemption includes families where the parent(s) or caretaker relative(s) receive public assistance; families experiencing homelessness; children in foster care families; children in protective or preventive service; or families comprised of the eligible child(ren) only.

⁶⁹ Op. cit. New York State Department of Labor. 2023 Child Care in the State of New York. Pp. 14.

⁷⁰ See, for example, S.169, The Child Care Workforce and Facilities Act, <https://www.congress.gov/bill/119th-congress/senate-bill/169/text> and <https://www.gillibrand.senate.gov/news/press/release/gillibrand-announces-bipartisan-legislation-to-address-shortage-of-affordable-child-care>.

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