Collaborating to Deliver Results

PARTNER AGENCIES & OFFICES

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Office of Child Care and Early Childhood Education (OCCECE)

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 was released on June 28, 2022. 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, with ambitious targets: reach more than 41,000 children, support 7,400 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 2023, the City made substantial progress toward these goals. To measure the City's progress towards a comprehensive birth-to-five-year care system, seven indicators were added to this chapter, and more may follow in subsequent Mayor's Management Reports.

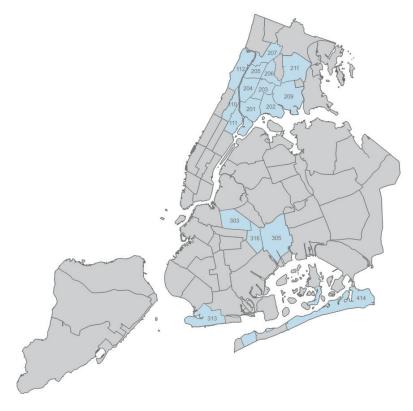
EXPANDING ACCESS AND INCREASING ENROLLMENT

Creating equitable, accessible child care and early childhood education experiences for New York City families is a top priority for the City. In September 2022, just three months after the release of the Blueprint, the Administration for Children's Services (ACS) cleared the voucher waitlist, issuing over 7,000 low-income child care block grant (CCBG)-funded vouchers. Child care vouchers cover some or all of the child care cost for families. ACS has not reinstated a waitlist and in October 2022, applications for vouchers were opened citywide to low-income families with children. The average monthly number of children enrolled in child care with the support of an ACS-issued low-income voucher increased 73 percent from Fiscal 2022 to Fiscal 2023, from 9,393 children to 16,236 children. Enrollment continues to increase in summer 2023 and there were more than 22,000 children enrolled in child care by July 2023.

In Fiscal 2023, ACS prioritized outreach for child care assistance to eligible low-income families in 17 community districts (CDs) with the highest concentrations of poverty and 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 voucher increased significantly as a result of these efforts. At the end of July 2023, 5,500 children from these community districts were enrolled in care with a low-income child care voucher, a nearly 260 percent increase since the release of the Blueprint in June 2022. The City plans to enroll up to 11,000 children by 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 <u>MyCity portal</u>, 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 the MyCity 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. Paper applications for child care assistance remain available. By the end of Fiscal 2023, 8,022 applications for child care were submitted through the child care portal.

Increasing enrollment requires a parallel increase in the availability of child care space and seats. The Department of Finance (DOF) launched the <u>Childcare Center Tax Abatement</u> in February 2023. 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 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. Applications are due by March 15 for the prior tax year in which the abatement would take effect (tax years begin on July 1). Applications received following the March 15 deadline are ineligible for an abatement starting the following July 1. For the 2023 tax year abatement, 19 properties have been approved as of July 17, 2023, resulting in the creation of 1,900 new child care seats. The City estimates 11,000 additional seats will be 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. 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 \$90,000 per year can qualify. This has enabled 63,000 more children under five years old meet the income criteria for child care assistance, a big step toward the Blueprint's goal of making child care affordable for families.¹

Additionally, New York State is expected to increase the income threshold even further, expanding eligibility up to 85 percent State Median Income (SMI). This change will allow a family of four earning up to approximately \$99,000 per year to qualify for child care assistance. More than 13,000 additional children under five years old may be income eligible for child care assistance due to the expanded eligibility criteria. New York City expects New York State to implement the higher income threshold in the second quarter of Fiscal 2024.

The City also successfully reduced the family co-payment for child care. As of June 1, 2022 the maximum amount families with income between 100 percent and 300 percent of the Federal Poverty Level will pay for child care was reduced from 10 percent to one percent of their family income above the poverty level. In addition, the City advocated to New York State to authorize child care for 24 months rather than 12 months. This will ensure greater continuity of care for children and families while reducing administrative burdens for families, eligibility staff, and child care providers. Implementation is expected in the second quarter of Fiscal 2024.

ACS launched <u>Promise NYC</u> in Fiscal 2023. Promise NYC is a new 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 NYC, namely undocumented children. ACS contracted with four community-based organizations to help families with eligible children across all five boroughs access child care. Within three months of its launch in January of 2023, Promise NYC enrolled 664 children into care, surpassing its initial goal of enrolling 600 children. The City continued funding for Promise NYC for Fiscal 2024 to maintain enrollments.

IMPROVING QUALITY AND SUPPORTING PROVIDERS

In Fiscal 2023, the City also reduced the administrative burdens for child care providers to receive the 2022 New York State market rate. Every two years, the state sets new maximum reimbursement rates for providers who provide subsidized child care. Previously, to receive an increased rate, providers had to submit complex paperwork and undergo a burdensome review process for approval. ACS streamlined to make it easier to apply for the higher rate by requiring an attestation. At the end of Fiscal 2023, 3,093 providers applied for higher reimbursement rates for the 2022 New York State market rate, and 99 percent of applicants were approved.

In May 2023, DOHMH launched the web-based <u>Comprehensive Background Check application</u> for child care staff to apply for clearance to work as City-regulated providers. The new web-based application replaces the paper application and streamlines the process for child care providers. It will reduce the time it takes DOHMH to complete the clearance, enabling classrooms to staff up more quickly.

ENSURING PERFORMANCE AND ACCOUNTABILITY

In February 2023, the City announced the creation of the Office of Child Care and Early Childhood Education. The mission of the Office is to ensure New York City families have accessible, equitable, high-quality, and affordable early education and care. The Office will coordinate strategy and planning among City agencies; foster sector-wide innovation in partnership with providers, experts, and the private sector; and promote effective communication, advocacy, and public engagement.

¹U.S. Census Bureau. (2023). 2021 American Community Survey Public Use Microdata Samples, as augmented by the Mayor's Office for Economic Opportunity. Microdata retrieved from https://www.census.gov/programs-surveys/acs/microdata.html

PERFORMANCE INDICATORS	AGENCY	ACTUAL				TARGET		TREND		
		FY19	FY20	FY21	FY22	FY23	FY23	FY24	5-YEAR	DESIRED DIRECTION
Average number of children accessing child care services through use of a non-mandated low-income voucher	ACS	8,569	10,000	8,323	9,393	16,236	*	*	Up	*
Children from 17 Community Districts enrolled in child care with a voucher	ACS	NA	NA	NA	NA	5,500	*	11,000	NA	Up
Student enrollment as of October 31 in full day pre- kindergarten	DOE	67,886	67,589	58,469	56,045	58,376	*	*	Down	*
Average EarlyLearn contract enrollment	DOE	27,781	23,841	18,199	15,213	15,046	25,040	25,040	Down	Up
EarlyLearn—Average family child care enrollment	DOE	7,137	6,798	5,175	4,665	6,201	6,000	6,000	Down	Up
EarlyLearn—Average center- based enrollment	DOE	20,644	17,043	13,024	10,549	8,755	19,040	19,040	Down	Up
Children enrolled in Promise NYC	ACS	NA	NA	NA	NA	664	600	600	NA	Up
Child care applications submitted using MyCity	ΟΤΙ	NA	NA	NA	NA	8,022	*	*	NA	Up
New seats created by eligible property owners receiving an abatement	DOF	NA	NA	NA	NA	1,900	*	11,000	NA	Up
Providers who applied for higher reimbursement rates for 2022 New York State market rate	ACS	NA	NA	NA	NA	3,903	*	*	NA	*
Providers approved for higher reimbursement rates for 2022 New York State market rate (%)	ACS	NA	NA	NA	NA	99%	*	*	NA	*

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS 🖋

None.

ADDITIONAL RESOURCES

For additional information 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