Introducing a Universal Child Care Cost Model for New York

By Lauren Melodia and David A. Lee

August 2026

THE NEW SCHOOL
Center for New York City Affairs

About the authors

Lauren Melodia is director of economic and fiscal policy at the Center for New York City Affairs at The New School.

David A. Lee is a fiscal policy analyst at the Center for New York City Affairs at The New School.

Acknowledgements

We acknowledge our colleagues at the Center for New York City Affairs. We thank executive director Kristin Morse for her feedback; Emily Nonko and Bruce Cory for editorial and design support; and Audrey Jenkins for research support.

We thank Simon Workman from Prenatal to Five Fiscal Strategies for sharing his New York "true cost of care" model results, which were used as inputs into our model, and for his thought partnership on the design of our model. We thank the Child Care Workforce Collaborative for its work to develop the sector-wide career ladder. We thank staff at CUNY Professional Development Institute – Dona Anderson, Annie Schaeffing, and Josef Kannegaard – for sharing the sector-wide career ladder and Aspire Registry data which were used as inputs into our model.

We thank Tara Gardner and Pete Nabozny for feedback on this work. We also thank staff at the New York City Independent Budget Office and Mayor's Office of Child Care and Early Childhood Education for their review of and feedback.

We gratefully acknowledge the funding for this report provided by the Robin Hood Foundation.

Table of Contents

Executive Summary

The Center for New York City Affairs' (CNYCA) Universal Child Care Cost Model is a dynamic tool to evaluate the total costs and phases of implementation toward a fully universal system for children ages six weeks to five years old. It can be modified to guide policy design as New York City and State move forward on their historic investment in child care.

This report – which introduces the model, the assumptions behind it, and our key findings – is the first phase of CNYCA's plan to release a public online version for policymakers and advocates to use directly. In the meantime, CNYCA can generate estimates for different scenarios by request. The model can be used in the short-term to evaluate costs for various implementation plan proposals identified by policymakers, such as the City's 2-K initiative.

To provide context for this model, this report offers a definition of high-quality and stable universal childcare. We also outline the assumptions and data sources included as inputs into our model.

CNYCA's model is explicit about assumptions and data sources, including regulations on program modality, capacity, and staffing ratios; wages by occupation and benefits; non-personnel costs; population by age; and uptake rates. Crucially, these assumptions incorporate two core pillars of high-quality, stable care: a true cost of care methodology and a sector-wide career ladder. We intentionally shifted away from the current, flawed State "market rate methodology," which is embedded in some City contract rates. Our previous research found this methodology contributes to low wages, staffing shortages, and program closures.

We have used these assumptions and data sources to generate the total number of center and home-based programs and staff for New York City and the Rest of State, as well as the costs per child by age, per program modality, and per region.

This report highlights model results that feel most useful in the current moment, when the City is exploring how to improve contract rates and the City and State are developing longer-term plans for a fully universal system. Key findings include:

Size and cost of a fully universal system: Significant resources are needed to implement fully universal child care that is high-quality and stable. An estimated $17.6 to $19.6 billion would be needed to fund universal child care statewide serving the

number of children estimated using the model's current uptake rates. See Figure 1, below, which provides these ranges related to two uptake rate scenarios.

An estimated $8.7 to $9.3 billion would be needed annually to fund universal child care in New York City. In FY2025 the City budgeted $2.5 billion and spent $3.8 billion on child care service delivery. This is emblematic of the regular under-estimation of service delivery costs. Therefore, the City will need to identify at least an additional $4.9 to $5.5 billion to sustain a fully universal system.

In the city and state, there is already significant child care capacity and staff working in licensed center and home-based programs, both in Group Family Child Care (GFCC) and Family Child Care (FCC). Using the higher of the two uptake rates, a fully universal system will only require an additional 10,475 seats in an additional 1,182 programs. Given that we are at the early stages of full implementation, there is no need to build new facilities at this time. Instead, the City must invest in creating financially sustainable pathways for existing programs to be a part of its public procurement system.

There are currently 50,328 center and home-based program staff in the city and an additional 23,640 workers will need to be recruited to staff a fully universal system. Developing strategies to retain the existing workforce are just as important as creating pipelines to recruit new staff.

Figure 1:

Size and cost of a fully universal child care system

Estimated using two uptake rate scenarios by region*

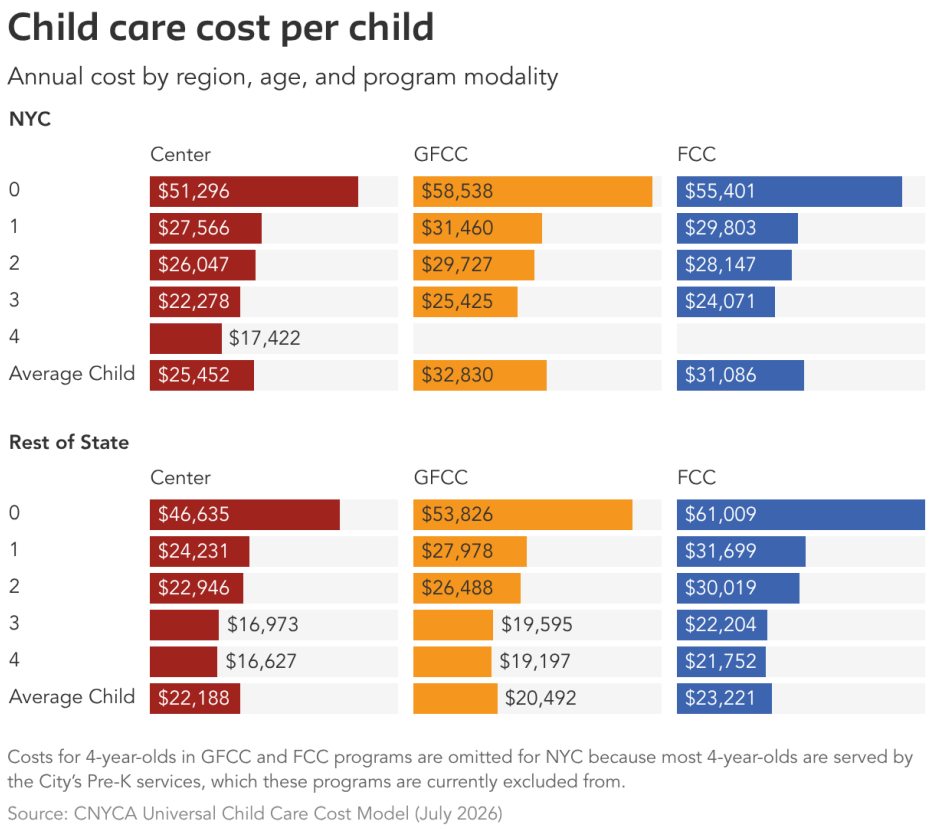
	NYC		Rest of State		State	
Measure	Lower uptake	Higher uptake	Lower uptake	Higher uptake	Lower uptake	Higher uptake
Number of staff	67,448	73,968	105,548	123,025	172,996	196,993
Number of programs	9,403	10,314	16,721	18,579	26,124	28,893
Number of children served	267,368	289,240	344,594	372,737	611,962	661,977
Total cost	**$8.7 B**	**$9.3 B**	**$9 B**	**$10.3 B**	**$17.6 B**	**$19.6 B**
Average cost per seat	*$27,720*	*$27,857*	*$25,998*	*$27,581*	*$26,686*	*$27,692*

*Higher uptake utilizes the assumptions from CNYCA's Universal Child Care Cost Model; Lower uptake modifies the assumptions for uptake by 3- and 4-year-olds to match current 3-K, Pre-K, and CCAP enrollment and waitlists.
All NYC estimates for number of staff, programs, and average cost per seat exclude 38,061 3- and 4-year-olds who receive 3-K or Pre-K services at a NYCPS public school. These results, then, estimate how many center and home-based programs and staff are needed for a fully universal system assuming that 38,0661 children continue to obtain 3-K or Pre-K services at a NYCPS public school. Due to insufficiently granular budget data, CNYCA is unable to estimate the cost per seat at a NYCPS public school. In order to estimate a total cost for the system, our model adds 38,061 children currently enrolled in NYCPS public schools into center programs to generate the total cost.
B = billions

Source: CNYCA Universal Child Care Cost Model (July 2026)

Cost per age and program modality: Infant care is most expensive, given the required high staffing ratios. (See Figure 2.) Home-based providers (GFCC and FCC) are estimated to be more expensive than centers due to lower staffing ratios in centers.

Figure 2:

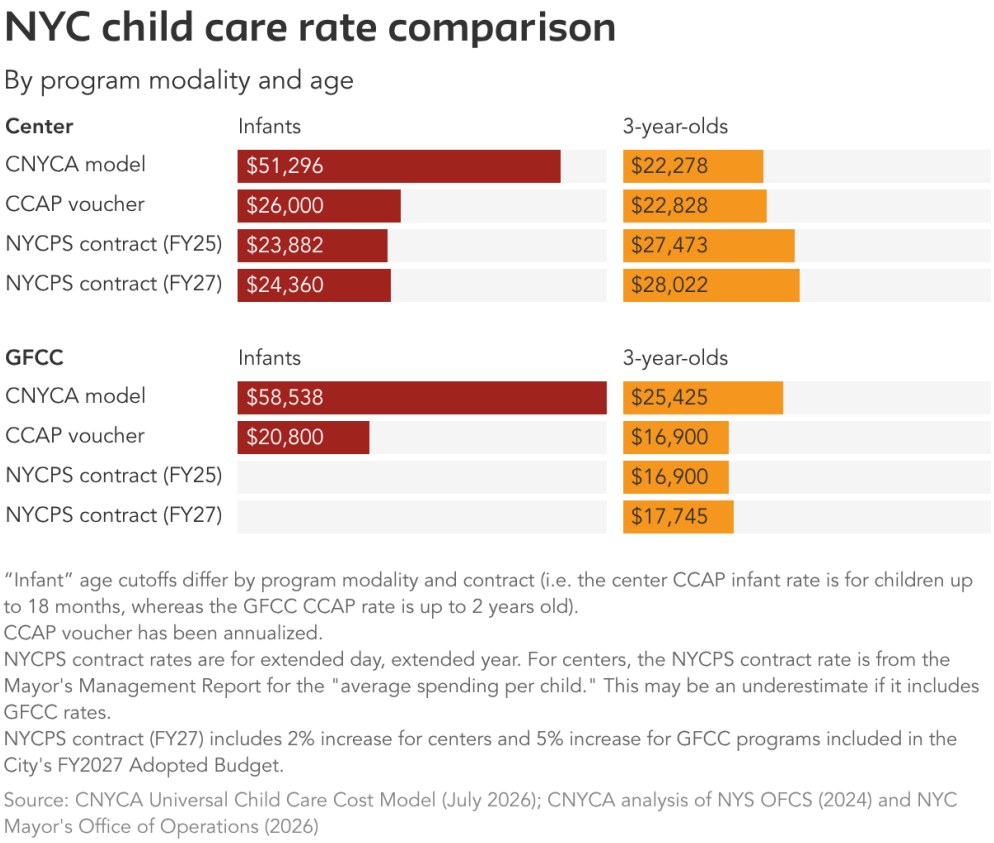


Contract and voucher rate disparities: There are two major disparities between the model's results and current contract or voucher rates. (See Figure 3.) Across all program modalities, the biggest disparity is in infant care. For other ages, the biggest disparities exist for GFCC and FCC programs. This is largely due to the fact that the Child Care Assistance Program (CCAP) voucher rates are determined using a methodology that does not account for staff wages and operating costs. This is then exacerbated by New York City Public Schools (NYCPS), which uses those CCAP rates in its contracts with GFCC and FCC programs.

The City uses a more standard contracting process, not the CCAP rates, for center contracts. While the City's FY2027 adopted budget includes much-needed increases on NYCPS contracts (two percent for centers and five percent for home-based programs), they are not sufficient. For example, comparing the model's results and the

estimated FY2027 adopted budget NYCPS rates, GFCC programs will be paid $7,680 less per three-year-old than CNYCA's model recommends; centers will be paid $5,744 more per three-year-old than CNYCA's model recommends.

Figure 3:



Recommendations

Because they're legally required to operate with balanced budgets, State and City governments are challenged when launching new public services where actual budget requirements and uptake rates are unknown. But for too long, social services like child care have been under-budgeted. This has forced workers to take a pay cut in order for policymakers to achieve their policy goals. New York State and City are at a critical juncture where they can chart a better path by properly budgeting for the true cost of care.

This report outlines five policy proposals for City and State policymakers to prioritize that were not addressed by the Governor's and Mayor's FY2027 path to universal child care priorities:

1) The State and City need to invest more to implement fully universal child care.

2) The State and City should amend current public contract and voucher rates to cover the operating cost and salary needs for child care programs today.
3) The State and City need to implement a sector-wide salary scale.
4) The State and City should create a wage subsidy to guarantee better wages during the transition to free universal care, while the system still relies on a mix of public and private revenue.
5) The City should consolidate all child care system administration under one agency.

Moving forward with this model, CNYCA will produce cost estimates for various phase-in proposals for universal child care. CNYCA also aims to extend the model to more fully integrate Pre-K and 3-K seats located in NYCPS, to understand the capacity needed for and associated with after-school care; to include other family policies like Paid Family Leave and cash assistance; to incorporate more accurate uptake rate estimates; and to add additional operating costs, such as retirement benefits, commercial real estate by borough, and capital costs.

Introduction

Mayor Zohran Mamdani and Governor Kathy Hochul made a commitment to universal child care this year and took initial steps toward this bold objective in the State and City FY2027 budgets. That included piloting new contracted care services, like 2-K in New York City and 0-2 care in three upstate counties; a commitment to universal Pre-K statewide by 2028; and the establishment of a new State Office of Child Care and Early Education.

Nevertheless, questions remain about how much a universal, high-quality, stable system will cost, and who will pay for it. To that end, the Economic and Fiscal Policy Team at the Center for New York City Affairs (CNYCA) developed a universal child care cost model, a dynamic tool that incorporates the latest grounded assumptions and relevant costs for child care programs.

Incorporating population by age, regulated staffing ratios by age, and operating cost and workforce data, CNYCA's model provides cost estimates for a fully implemented universal child care system and can also generate estimates for steps toward that vision by the age of the child, region, and program or seat. Policymakers can use the model estimates to set contract and voucher rates today and plan for what new revenue will be needed for a year-by-year phase-in towards full implementation.

This report recognizes that significant resources are needed to make high-quality, stable child care universally available to families throughout the state and in the city. Establishing a publicly provisioned child care system is particularly challenging without federal funding. It will require billions of dollars of new State and City revenue. City and state governments also do not enjoy the federal government's power of deficit financing; that's one reason New York's universal child care system must be rolled out in phases.

A chronic problem not yet addressed in New York is ensuring that the private businesses that largely deliver child care – typically licensed non-profit centers or small residential businesses – are able to cover their operating costs.

Several cost estimates for State- or City-wide universal child care have been publicized over the past year. They often provide little detail about the underlying assumptions of these estimates (Fitzsimmons and González Gómez 2025). This is concerning given the historical undervaluation of child care work and the current flawed State "market rate

methodology" embedded in City contract rates – factors that contribute to the field's current low wages, staffing shortages, and program closures.

Empirically and policy grounded cost estimates are critical for making universal child care a reality. Under-budgeting can result in a system that does not cover operating costs and adequate wages in the field. This will not only lead to worker exploitation, but also loss of child care supply, particularly experienced staff and trusted community programs, even as New York strives to meet the increased demand unlocked by the promise of free universal child care. It could also create the conditions conducive to private equity capturing the field – a real threat in the child care industry today (Stienon and Boteach 2024).

This inaugural report, showcasing findings from CNYCA's universal child care cost model, addresses these problems. We first define universal child care and describe four pillars necessary for a stable, high-quality sector, given the historical underinvestment in the field and current fragmented policy landscape. In Section Two, we describe our model assumptions and data sources. In Section Three, we present some of the key results from our dynamic cost model. In Section Four, we compare the results from our model to the existing public investments in the field to determine how far New York now is, in budgeting and staffing, from universal child care. In Section Five, we outline some policy priorities and research next steps.

1. Defining High-Quality, Stable Universal Child Care

What is Universal Child Care? A universal public program is defined as one that is available to everyone, regardless of income level or immigration status.

Universal child care has not been a reality in U.S. history, but it is a public good in most developed countries today (Organisation for Economic Co-operation and Development 2025a). Child care in the United States has historically been provisioned through a mix of unpaid household labor and private businesses that parents pay directly or with some subsidies, such as New York's Child Care Assistance Program (CCAP) and Pre-K and 3-K.

While federal financing would be in many respects simpler, advocates have increasingly turned to states to achieve universal child care. In 2025, New Mexico was the first state to commit to a universal child care statewide, followed by New York in 2026.

While no concrete, fully implemented models exist within the U.S., lessons abound from other countries. An effective, equitable, and efficient universal child care system

must offer parents a choice of program types; provide affordable, fair, and progressive subsidies or cost-sharing for parents; and pay providers and staff based on their hard work and established expertise in the field (National Academies of Sciences, Engineering, and Medicine 2018).

While the benefits of universal child care are often compared to universal K-12 education, there's a crucial distinction. Universal child care will largely not be offered at public school buildings. For multiple reasons – ranging from child development best practices to feasibility – it will be delivered through private businesses already providing child care services and employing experienced staff in the field. Non-profit, community-based centers, and home-based programs will receive government payment to provide services.

There are numerous benefits to this approach. New York's government need not build a system from scratch. With sufficient funding and improved agency systems and capacity, the system can contract with longstanding, trusted child care programs.

Universal child care also has economy-wide benefits, such as higher labor force participation for mothers and reduced turnover and absenteeism in the job market. It is estimated that universal child care could unlock $1.9 billion in disposable income for families to spend elsewhere in the economy (Office of the New York City Comptroller 2025). Child care disruptions to parents' work is also estimated to cost the City $2.2 billion in tax revenue (New York City Economic Development Corporation 2021).

However, any steps toward universal child care must resolve existing policy problems and consider how each phase-in step impacts businesses that will remain partially private-funded until a universal system is fully implemented. The City must work carefully at the neighborhood level to support established child care businesses before creating additional public options that undermine the viability of these trusted, community-based institutions.

Universal child care is a social necessity plagued by failures when left to the private market. First, child care is labor intensive. High staffing ratios are required to meet reasonable health, safety, and quality standards. Meanwhile, parents of young children are typically early or mid-career adults, usually unable to pay for the full cost (and long-term benefits) of child care. Combined with the longstanding social undervaluation of care work, child care programs are typically unable to charge parents what it costs to provide safe and quality care.

A universal government-funded system is needed to address this market failure, which effectively leads to lack of stable child care supply. However, a universal system will only yield sufficient and stable, high-quality care if the government changes the ways it

contracts with child care programs, and guarantees adequate staff wages. Without that, implementation of a universal child care system will meet supply constraints; there won't be enough child care seats to serve families.

Four pillars of stable, high-quality early care and education: For the non-profit center and home-based programs in New York City today, business instability and low take home pay are common and make it incredibly challenging to run stable and high-quality services. These challenges are structural and systemic, underscoring why universal child care is the critical policy solution (New Yorkers United for Childcare 2024).

Therefore, an expanded child care system cannot be built without a fundamental commitment to the following four pillars of stable, high-quality child care. If comprehensively enacted, they will improve business stability, provider and staff wages, and care quality – preparing the sector for expansion to a universal system.

1. **A true cost of care methodology** for all public vouchers and contracts would tie public rates to the actual costs of running a child care program, including adequately compensating staff and providers. This is different from the current public rate setting, where a "market rate methodology" is used to determine public rates paid to home-based programs for both State CCAP vouchers and City NYCPS-contracted seats and paid to centers for State CCAP vouchers. Program directors and providers know that parents cannot afford the true cost of care, so they set their private rates based on what they know parents can afford. Public rate setting to private programs should not embed this market failure into public rates, but should instead pay programs what it costs to deliver high-quality child care.

2. **A sector-wide career ladder and salary scale** that incentivizes people to join the child care workforce and grow their expertise through education and experience is essential. There is currently a child care staffing crisis in New York State across all program modalities (Empire State Campaign for Child Care 2025). This often results in existing child care programs being unable to work at their full capacity, because they cannot meet staffing ratio requirements. High turnover compromises programs' ability to establish long-term relationships with children critical for early childhood development. State legislation or a wage board is needed to develop a fair child care salary scale based on working hours and occupation, experience, and credentials. It can bring new people into the child care workforce, reduce the loss of existing child care staff and providers, and remove pay disparities that cause turnover and quality difference across modalities.

3. **A wage subsidy fund** is critical to a universal child care system phased in over time. It can be implemented quickly and prevent child care workers from leaving their jobs due to current low wages in the sector. This will help stabilize the workforce at a transitional time, filling any gap between current salaries and minimum wage standards established through collective bargaining or in a sector-wide salary scale. In a fully universal child care system, paying the true cost of care that includes a sector-wide salary scale, wage subsidies will eventually not be needed for child care employees. But they will likely still be needed for home-based providers, who are independent contractors or small business owners that do not have the protections of an employment contract.

4. **A public marketing campaign for all child care programs** should educate parents about the wide variety of modalities and services available beyond Pre-K and 3-K. It should highlight the unique advantages of home-based programs, such as mixed-age learning, long-term bonding, and potential for overnight and weekend hours of care. Such a campaign is imperative for educating parents about the variety of child care options available to them. It will also expand the public's imagination of what a universal child care system should be and make sure that it is designed with child development experts' and parents' perspectives in mind. While home-based care is the most common and oldest form of licensed care, it has been ignored as the City has significantly invested in branding and promoting universal Pre-K and 3-K.

Is universal free? Mayor Mamdani's campaign platform promised free and universal child care, but "free" and "universal" do not necessarily describe the same thing. In most countries where parents have access to universal child care, parents are required to pay a small co-pay. For example, in Quebec, which established universal child care before it became a national Canadian program, parents pay a daily co-pay of Can$9.65, unless circumstances make them eligible for a reduced rate (Fortin 2018).

New York's current public child care services incorporate co-pays or cost-sharing by parents. Take, for example, New York's CCAP vouchers, which cover child care for hours an income-eligible parent is at work. Families earning less than the federal poverty line have no co-pay. Those earning between $40,000 and a ceiling income of $160,760 pay a weekly copay of $1 to $20, depending on the size of the family and its income (New York State Office of Children and Family Services 2026).

The City's universal Pre-K and 3-K provide services from approximately 8am to 6pm to all families regardless of income, but families earning above 85 percent of the State

Median Income (SMI) only receive free care during school hours.[1] These parents must pay for the after-school portion of the day if they want a full day of care.

There is debate about whether co-pays are a useful mechanism in the child care system. For example, home-based providers struggle to collect CCAP co-pays from parents (New York State Office of Children and Family Services 2024a, Melodia and Paredes 2025). On the other hand, our assessment of current cost-sharing for after-school hours in Pre-K and 3-K is that many programs across all modalities have established streamlined and simple processes to promote these added services and facilitate timely parent enrollment and payment collection.

Any co-pays or cost-sharing that require parents to submit additional paperwork can slow down the process of delivering services to parents and payments to providers. For example, if a system required families earning above a certain income threshold to pay seven percent of their income on child care (a standard suggested by the Biden-Harris administration), the City would need to review tax returns of all families and determine a unique price for each. On the other hand, if parents earning above that threshold were required to pay $50 per week for full-day care, or the City maintained that universal child care is a school-day service with after-school hours as an additional cost to the family, parents could immediately sign up and receive these services.

Additional application documents or a presumptive eligibility process would only be required for parents who are eligible for full coverage due to economic or other need (currently related to New York's compliance with federal Child Care Development Block Grant funding). Policies and services should be designed in simplified ways that can facilitate fast and equitable service with minimal bureaucratic bottlenecks.

These are just some examples of the distinction between "free" and "universal." Mayor Mamdani has described his vision for universal child care as a system that covers parents' full workday and is free. Parents accessing Pre-K, 3-K, and CCAP currently have co-pays or cost-sharing. The City will need to determine how this might be redesigned or phased-out to facilitate fair access to child care and reduce the paperwork burden on all parties in order to expedite enrollment.

2. Model Assumptions

Several cost estimates for City- or State-wide universal child care have been publicized, but often with little detail about the assumptions underlying these estimates. This is concerning given the historical undervaluation of child care work and the current

[1] Pre-K and 3-K services have slightly different hours depending on program modality (public school, on-site non-profit after school program, center, or home-based) and what type of City contract they have.

flawed State "market rate methodology" embedded in City contract rates, which contributes to low wages, staffing shortages, and program closures.

In this section, we outline the assumptions and data sources included as inputs in our model as well as how the model works. Most importantly, our model incorporates the first two pillars of stable, high-quality child care: a true cost of care methodology and sector-wide career ladder, described under the sections on "wages and benefits" and "non-personnel costs." We've deferred discussion for now of the other two pillars, as well as City administrative costs.

Program modality, capacity, staffing ratios: Parent choice is an important value of New York's existing child care system and is necessary for an equitable expansion to a universal system. Our model assumes the same mix of programs by modality that currently exists in New York State and New York City. Currently, for example, 59 percent of seats for children under six years old in New York City are located in center-based programs, 39 percent are in group family day care (GFCC) programs, and two percent are in family day care (FCC) programs (New York State Office of Children and Family Services 2025). The model also incorporates the 38,061 Pre-K and 3-K seats that existed in NYCPS in School Year 2023-24 and assumes these remain part of the universal system (New York City Independent Budget Office 2025).[2] Given limitations with currently available budget data, these public school seats are not fully incorporated into the model but are factored into the current capacity. The model then generates estimates for the number of center and home-based programs and seats needed given the existing public school capacity.

Our model assumes the current regulated capacity and staff ratios in center and home-based program modalities. New York State regulates how many total children can be cared for by licensed program modality and the staffing ratios by age group which differs by modality (18 NYCRR §§ 416 - 418). New York City has different capacity and staffing ratios by age for centers than the Rest of State (New York City Department of Health and Mental Hygiene, Health Code art. 47, §47.23). For example, the ratio for infants in an FCC or GFCC is one adult for every two children, whereas in a center the ratio is 1:4. The ratio for four-year-olds in an FCC or GFCC is one adult for every six children, whereas in a center the ratio is 1:12.

Wages and benefits: As mentioned in Section One, a stable, high-quality child care sector is not possible without good wages and benefits. Staff turnover negatively impacts child development, so wages must be consistent across all program

[2] A similar analysis of public school-based Pre-K seats in the Rest of State was not factored in.

modalities: FCC and GFCC, centers, and public schools. Therefore, our model utilizes the wage standards in the sector-wide child care career lattice developed by the Child Care Workforce Collaborative, a group of policy experts led by CUNY Professional Development Institute (PDI) and Jenn O'Connor, principal at Jenn O'Connor Consulting, LLC (CUNY Professional Development Institute 2026).

The Child Care Workforce Collaborative sector-wide career lattice considers State and City law for baseline credentials by occupation and program modality. It builds in salary increases that value on-the-job experience and further educational attainment relevant in the field; for example, an assistant teacher on the credential path to become a Pre-K teacher. We add two positions, assistant directors and floaters, to the staff ratios that are not included in the career lattice but are recommended in true cost of care models (Prenatal to Five Fiscal Strategies 2025a). Because the career lattice does not include salary ranges for these roles, we draw on the Prenatal to Five Fiscal Strategies' cost model and derive salary ranges for these positions from the MIT Living Wage Calculator (Massachusetts Institute of Technology 2025).

The model determines the number of staff by occupation needed in each program modality to serve the estimated number of children in each age group. Not every worker is an entry-level worker. In fact, data on the educational attainment levels and experience of the current workforce, sourced from CNYCA survey data and Aspire Registry data, demonstrate many workers have higher levels of educational attainment than currently required (Melodia and Paredes 2025, CUNY Professional Development Institute 2025). We assume educational attainment levels in each occupation reflect the educational attainment levels of the current child care workforce by occupation.

Drawing on the Provider Cost of Quality Calculator created by Prenatal to Five Fiscal Strategies, an annual health insurance cost of $6,837 is added for each staff person in all program modalities (Prenatal to Five Fiscal Strategies 2025b). No additional benefit costs are included in the model at this time; however, retirement benefits are a top priority for the FCC and GFCC workforce in particular, given that center and public school child care staff currently receive public contributions to a retirement fund. We expect to include retirement benefits in a future iteration of the model.

Non-personnel costs: We assign non-personnel costs to each program by modality. There are a variety of non-personnel child care costs, from rent and utilities to food and insurance. We include either direct data inputs using local price or survey data for these. Non-personnel cost data for FCC and GFCC programs is drawn from CNYCA survey data of FCC and GFCC providers (Melodia and Paredes 2025). Since this data is

New York City-specific, we utilized county level results from the Economic Policy Institute (EPI) Family Budget Calculator to determine the cost of living for counties in the rest of the state and generated a weighted index based on this county-level data. We applied a weighted index of 0.87 to the non-personnel costs for FCC and GFCC programs in the rest of the state. This means that, due to lower prices outside New York City, the non-personnel costs for an FCC or GFCC outside the five boroughs is assumed to be 87 percent of similar average non-personnel costs in New York City.

Non-personnel cost data for centers is drawn from the Provider Cost of Quality Calculator created by Prenatal to Five Fiscal Strategies (2025b). Since this data is state-specific, we utilized county level results from the EPI Family Budget Calculator to determine the cost of living for counties outside New York City and generated a weighted index based on this county-level data. We applied a weighted index of 0.94 to the non-personnel costs for center programs outside the five boroughs and a weighted index of 1.07 to such costs in New York City. This means that non-personnel costs for a center outside New York City and in New York City is 94 percent and 107 percent, respectively, when compared to non-personnel costs for the average center statewide.

Notably our model excludes food costs. This is because the Child and Adult Care Food Program (CACFP), a voluntary federal program administered by the USDA, reimburses participating child care programs for up to two meals and one snack per attendee per day. The reimbursement rate does not always cover the cost of food for children in attendance (Melodia and Paredes 2025). Nevertheless, given the complexities of the CACFP reimbursement rate structure, this model assumes that the CACFP covers all food costs. The model also excludes capital and start-up costs.

Lastly, to guarantee quality care in all modalities, a standard expense for curriculum supplies and an annual child assessment per child is included for all program modalities: $3,000 per center and $1,500 per home-based program for curriculum expenses, and $300 per child for an annual child assessment in all program modalities.

Children and uptake rates: The estimated number of seats, programs, and staff required for a universal system are based on the size of the state and city population under five years old. Given that staffing ratios and program capacity are regulated by age, the population is disaggregated by age (0-4), with the category of infants (0 years old) further partitioned into 0-6 and 6-12 month-olds. We use New York City population data from the New York State Department of Health (2022). We use New York State population data from the Annie E. Casey Foundation (2025).

Not all parents will want to utilize the universal child care system, preferring instead to rely on family, friends, and neighbors. Therefore, we make assumptions about the uptake rate, or what percentage of children by age will utilize the system. Given that the current system is very expensive for parents, and no U.S. state has implemented universal child care, it is hard to estimate uptake rates. Many previous studies used uptake rate data collected globally by the Organisation for Economic Co-operation and Development (Organisation for Economic Co-operation and Development 2025b). However, there is significant variance in the uptake rates of 0- to two-year-olds across OECD countries, likely influenced by factors such as the affordability and accessibility of child care services, cultural norms, or the demand for workers in the economy.[3]

In this iteration of the model, we use the same assumed uptake rates as New Yorkers United for Child Care, which are as follows: 10 percent of children under six months, 50 percent of children 6-12 months, 60 percent of one- and two-year olds, and 80 percent of three- and four-year-olds (New Yorkers United for Childcare 2024). Many child care policy experts believe these uptake rates are too high. In a future estimate, we will incorporate updated uptake rates based on parent survey data. However, there is little to work with to generate more accurate assumptions for areas outside the five boroughs.

Model logic: With the assumptions in hand, the model computes the number of children by age, given uptake rates by age, who would take part in universal child care. From that, the model removes the 38,061 three- and four-year-olds attending 3-K or Pre-K at a NYCPS and determines the minimum number of programs by modality to meet the demand by age cohort. The model then selects the largest of those, which corresponds to the age cohort with the greatest demand, guaranteeing children of all ages a seat but building some slack into the system.

With the number of programs established, the model computes the number of staff required. We apply the specific career lattice wage to each occupation reflecting the variation in the existing workforce's educational attainment and years of experience within each occupation to generate total personnel costs. The model computes non-personnel expenses based on the number of programs by modality. These personnel and non-personnel expenses are aggregated into a final sum by region and modality.

[3] The only OECD countries with a truly universal public child care system for children three years and younger are Belgium, Denmark, Lithuania, Norway, and Slovenia (Organisation for Economic Co-operation and Development 2025b).

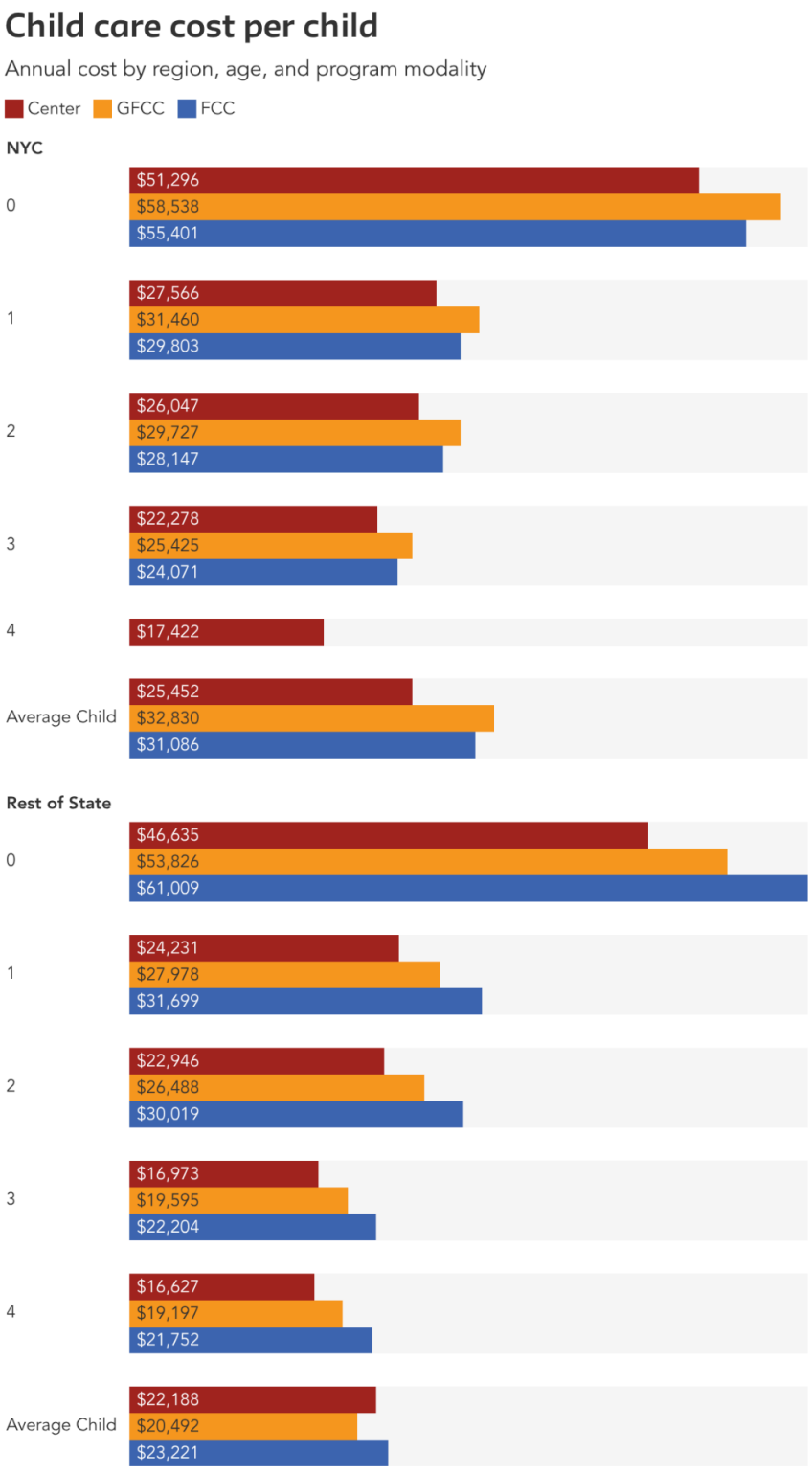
Given insufficiently granular city budget data, we are unable to fully incorporate NYCPS seats into the model. When calculating the number of programs and their costs, those 38,061 seats are excluded from the model. However, one purpose of this model is to generate an estimation of the cost of total services. To do this, we reincorporate these seats, placing them in centers, to assign a cost to these seats.

3. Model Results

Because CNYCA's model is a dynamic tool that can generate results by age and regions (city, state, Rest of State), it can be adjusted to produce total cost estimates for various phase-in proposals, such as meeting the needs of all two-to-four year olds in New York City by the end of Mayor Mamdani's first term. In this report, we highlight model results that feel most useful in this current moment, when the City is exploring how to improve contract rates and the State and City are developing longer-term plans for a fully universal system.

Results by age, cost per seat and program: The State and City are currently expanding the public child care system to meet a certain number of children's needs given funds secured in the annual State and City budget process, by region and, in New York City, by age. Figure 1 provides results from the model for the per child rate by age. The rates provided in these tables are a useful benchmark for current rate setting. Per child rates that are lower than these do not properly cover operating and staffing costs.

Figure 1:



Costs for 4-year-olds in GFCC and FCC programs are omitted for NYC because most 4-year-olds are served by the City's Pre-K services, which these programs are currently excluded from.

Source: CNYCA Universal Child Care Cost Model (July 2026)

Child care is a labor-intensive industry. In both New York City and Rest of State, the primary reason for price differences by modality appears to be that GFCC and FCC programs have higher staffing ratios than centers for all ages, except for two-year-olds. Therefore, they are expected to be more expensive per seat.

It is also not surprising that across all regions and program modalities, personnel costs are the largest component of a program's operating budget. This is reflective of previous national studies at the Center for American Progress showing that 68 cents of every dollar spent at a child care program goes to salaries and benefits (Workman 2018). Figure 2 presents the total program costs by region and modality with a breakdown between personnel and non-personnel costs.

In a fully universal system, all seats would be paid for fully by the government. However, in the phase-in to universal child care, only certain seats in each program are paid for with public dollars, leaving the rest to the private market where rates are more often than not lower than the cost of care. This puts programs in a situation where they are unable to pay a person's full salary or the program's full utility bill. Therefore, a whole-of-program approach to contracting, rather than by seat, is ideal for program sustainability and achieving wage standards in the field. These total program costs can be used as a guideline for contract rate setting using a whole-of-program approach.

Figure 2:

Average annual child care program costs

By region and program modality

	Center		GFCC		FCC	
Cost Category	**New York City**	**Rest of State**	**New York City**	**Rest of State**	**New York City**	**Rest of State**
Personnel	73%	72%	88%	83%	87%	83%
Non-personnel	27%	28%	12%	17%	13%	17%
Total Program Cost	$1,393,596	$1,188,017	$393,942	$245,785	$186,422	$139,321

Source: CNYCA Universal Child Care Cost Model (July 2026)

Universal Child Care results: Moving forward, CNYCA expects to use this model to develop cost estimates for the phase-in proposals for universal child care. However, it is also critical that the State and City have a clear sense of the total cost and size of a fully universal system providing care for all children under the age of five. This is particularly critical given that the State and City cannot deficit finance; they must generate sufficient tax revenue to cover program costs on an annual basis. Figure 3, below,

presents results from the model for a fully universal system. Given uncertainty about the model's uptake rates, Figure 3 offers two scenarios. "Higher uptake" refers to the model's assumptions. "Lower uptake" reduces uptake for three- and four-year-olds to match current Pre-K, 3-K, and CCAP utilization and waitlists.

Figure 3:

Size and cost of a fully universal child care system

Estimated using two uptake rate scenarios by region*

	NYC		Rest of State		State	
Measure	**Lower uptake**	**Higher uptake**	**Lower uptake**	**Higher uptake**	**Lower uptake**	**Higher uptake**
Number of staff	67,448	73,968	105,548	123,025	172,996	196,993
Number of programs	9,403	10,314	16,721	18,579	26,124	28,893
Number of children served	267,368	289,240	344,594	372,737	611,962	661,977
Total cost	**$8.7 B**	**$9.3 B**	**$9 B**	**$10.3 B**	**$17.6 B**	**$19.6 B**
Average cost per seat	*$27,720*	*$27,857*	*$25,998*	*$27,581*	*$26,686*	*$27,692*

*Higher uptake utilizes the assumptions from CNYCA's Universal Child Care Cost Model; Lower uptake modifies the assumptions for uptake by 3- and 4-year-olds to match current 3-K, Pre-K, and CCAP enrollment and waitlists.
All NYC estimates for number of staff, programs, and average cost per seat exclude 38,061 3- and 4-year-olds who receive 3-K or Pre-K services at a NYCPS public school. These results, then, estimate how many center and home-based programs and staff are needed for a fully universal system assuming that 38,0661 children continue to obtain 3-K or Pre-K services at a NYCPS public school. Due to insufficiently granular budget data, CNYCA is unable to estimate the cost per seat at a NYCPS public school. In order to estimate a total cost for the system, our model adds 38,061 children currently enrolled in NYCPS public schools into center programs to generate the total cost.
B = billions

Source: CNYCA Universal Child Care Cost Model (July 2026)

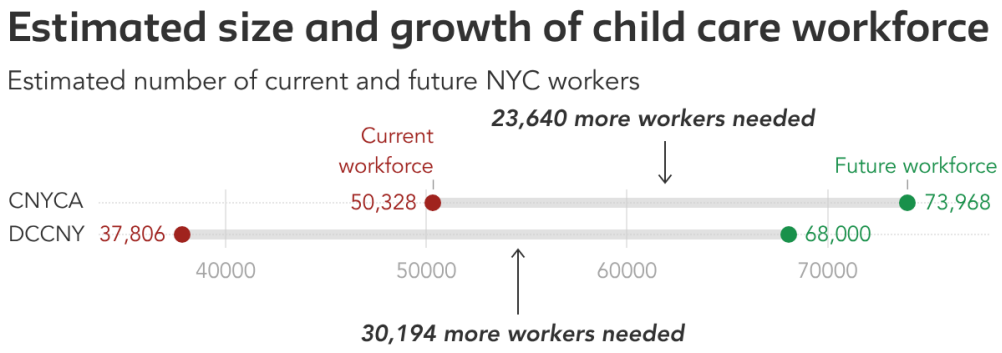
4. How Far Along is New York City?

CNYCA's dynamic cost model results are large. An estimated $9.3 billion would be needed to fund a New York City universal child care system serving the number of children estimated using the model's current uptake rates. The State and City currently have a portion of such funding, which is why a phased-in approach is needed. However, the State and City already invest in existing child care, such as CCAP, Pre-K, and 3-K services. Here, we take stock of what those current investments are in New York City and how they inform short- and long-term revenue raising goals and spending strategies.

Staffing: Child care is labor-intensive, and a fully universal system will require more workers. The field is already employing tens of thousands of experienced, hard-working educators, who (with the exception of public Pre-K teachers) are largely underpaid, especially when comparing their training requirements to peers with the same level of formal education in the economy (Melodia and Tursini 2026). It is critical, then, that the City first prioritize contract and rate adjustments that better compensate the field now to retain the existing workforce. This will have the benefit of incentivizing new people to join the field and reduce demand for new entrants to the field.

In a previous model, CNYCA estimated that the current child care workforce in New York City includes approximately 50,328 educators, including center and FCC staff and FCC providers (Melodia 2026). This is significantly higher than the Department of Labor estimate of approximately 37,000 educators, which only includes payroll employees. CNYCA's universal child care model expects City center and home-based programs will require 73,968 total workers. This is similar to the Day Care Council of New York's (DCCNY) estimate of 68,000 total center and home-based child care workers. Figure 4 compares CNYCA's and DCCNY's workforce estimates. CNYCA's model estimates that the City will need 23,640 additional workers in center and home-based programs to staff a fully universal system.

Figure 4:



DCCNY is the Day Care Council of New York.
These estimates exclude the number of NYCPS educators currently serving 38,061 3- and 4-year-olds attending Pre-K or 3-K at a NYCPS site.

Source: CNYCA Universal Child Care Cost Model (July 2026); Day Care Council of New York (2025)

Programs and seats: Before focusing on the gap between existing and future City budgets, it's worth highlighting the multi-year investments already made by individuals to create child care programs and earn the credentials required to work in the field.

Figure 5, below, compares the size of a fully universal system in CNYCA's model with the system's existing capacity (New York State Office of Children and Family Services 2025). Size is calculated by the number of licensed programs and the number of seats in those programs.

We find that a fully universal system in New York City will only require an additional 10,475 seats, which are estimated to exist in an additional 1,182 programs. This finding is aligned with CNYCA's previous research with home-based providers, which revealed there is a lot of unused capacity in existing licensed programs. Given that we are at the early stages of full implementation, there is no need to build new programs at this time. Instead, the City must invest in creating financially sustainable pathways for existing programs to be a part of its public procurement system.

Figure 5:

Programs and seats, current and future need

Estimated need compared with current child care capacity

Measure	NYC	Rest of State	State
PROGRAMS			
Needed	10,314	18,579	28,893
Current	9,132	6,874	16,006
Difference	***1,182***	***11,705***	***12,887***
SEATS			
Needed	289,240	372,737	661,977
Current	278,765	248,233	526,998
Difference	***10,475***	***124,504***	***134,979***

Current NYC seats includes both licensed capacity (NYS OCFS 2025) and Pre-K and 3-K seats located at NYCPS public schools.

Source: CNYCA Universal Child Care Cost Model (July 2026); NYS OCFS 2025; NYC IBO 2025

Financing: New York City already pays a large portion of child care services for families using a combination of federal, State, and City revenue. In FY2025, 199,284 children were enrolled in NYCPS child care services or utilized a CCAP voucher.[4] The City also has existing infrastructure to license, inspect, and manage enrollment in and payments to private programs and the NYCPS agency to support child care services operating in public schools. CNYCA's model estimates the direct costs of service

[4] Average child care CCAP voucher enrollment was 91,227; however, this number includes school-age children as well as those under the age of five.

delivery in center and home-based programs. It does not take into consideration the cost of Pre-K and 3-K services offered at NYCPS, or City infrastructure and administration to support those public school offerings.

Available budget data presents challenges in precisely parsing service delivery and administrative budgets and spending. In total, New York City in FY2025 spent $4.86 billion on child care. $3.82 billion can roughly be attributed to service delivery costs, and $1.04 billion to administrative costs.[5] This should also be interpreted as an underestimate, as certain Units of Appropriation budget lines made publicly available, particularly in NYCPS, cannot be further disaggregated between child care and K-12 expenses. This data limitation prevents CNYCA from fully integrating existing Pre-K and 3-K seats located at NYCPS sites into the model or comparing the cost per child in this public setting to center and home-based program results from the model. The sections below provide more detail on service delivery, administrative budgets, and how that compares to CNYCA's model results.

Figure 6 lists the total number of City employees across various agencies who provide the administrative infrastructure for the City's current system as well as direct child care in NYCPS. The majority of public employees work for NYCPS as educators in Pre-K and 3-K classrooms at NYCPS sites. These public school teachers are excluded from CNYCA model results on staffing (see Figure 4).

Figure 6:

NYC public employees working in child care

In City Fiscal Year 2025 adopted budget

Agency	Public employees
Administration for Children's Services (ACS)	236
Department of Health and Mental Hygiene (DOHMH)	188
NYC Public Schools (NYCPS)	7,108
Total	***7,532***

Source: NYC Office of Management and Budget, Expense Budget Data, July 2025.

[5] We split costs of the existing spending on child care into service delivery and administrative categories and attempt to disaggregate each unit of appropriation (U/A) into its constituent budget codes. The adopted budget data permits this analysis across the full set of identified child care budget codes, but the Annual Comprehensive Financial Report (ACFR) does not. We therefore report adopted funding using the complete child care budget-code universe, but calculate ACFR spending only from the seven U/As that are sufficiently specific to child care.

Service delivery costs: In New York City, service delivery is split between center, GFCC and FCC programs, and NYCPS, where classroom facilities and teachers part of the public school system provide Pre-K and 3-K in particular. Combining service delivery costs across these modalities, we find that the City budgeted $2.45 billion for service delivery costs in City Fiscal Year 2025, which was 79.6 percent of total adopted spending by the City on child care (New York City Office of Management and Budget Expense Budget 2026). However, that same year, the City actually spent closer to $3.82 billion on direct service delivery, which was 78.4 percent of total actual spending on child care expenses (Office of the New York City Comptroller 2025). Much of this additional spending can be attributed to additional CCAP voucher spending. This mismatch between budgeting and spending demonstrates a consistent pattern of underprojecting spending needs for child care services.

CNYCA's model estimates a fully universal child care system would cost the City $9.3 billion. However, taking existing service delivery spending into consideration, the City is 40 percent of the way towards that goal. The City will need to raise an additional $5.5 billion in revenue to fill the gap between current and estimated spending.

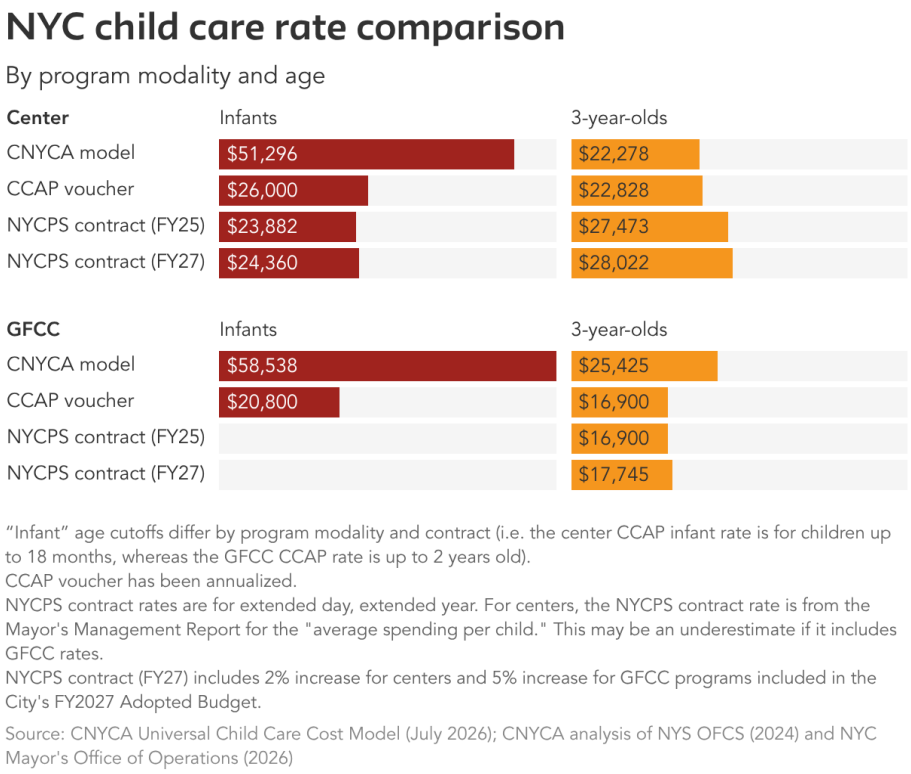
Administration: Beyond the direct service delivery costs, a universal system will require State and City administration. At a minimum, this will require public employees and technology systems to license and inspect programs, provide background checks for staff, enroll families in care, and make timely payments to programs. Administration also includes support organizations (Child Care Resource and Referral organizations and Family Child Care Networks) to provide training and other support to programs and their staff. The City already provides much of this administrative support for existing programs. In City Fiscal Year 2025, it budgeted $565 million and spent $1.04 billion on a combination of these administrative supports. This is approximately 18 percent of the total adopted and 21 percent of total actual spending by the City on child care, respectively.

Staff at center and home-based programs are acutely aware the current administration investments by the City are inadequate and compromise their business sustainability, capacity, and quality. Home-based providers experience long wait periods for administrative tasks due to inadequate staffing and technology (Melodia and Paredes 2025). Center staff also report continued problems with timely payments (New York City Council 2025). Therefore the proportion of total investment in administration will likely need to increase from the current 18 to 21 percent.

While these administrative costs are currently outside the scope of this model, they're important and need to be properly estimated and invested in. It is also worth noting that the current administration of child care in the City relies on three separate agencies. Home-based providers report they often submit the same paperwork to multiple agencies. While the administrative costs are small compared to the service delivery costs, combining all child care system administration into one unified agency can reduce the administrative burden for all parties and potentially reduce administrative costs.

Contract rates: Given uncertainty about uptake rates, the total size and cost of a fully universal system estimated with our current model will need to be further refined. In the meantime, the salary, benefits, and non-personnel costs included in the model provide a solid benchmark for current contracting with programs. Figure 7 shows the difference between CNYCA's model results for infants and three-year-olds placed at centers or GFCC programs and NYCPS contract and CCAP voucher rates (annualized) for these ages and modalities.

Figure 7:



There are two highlights from this comparison. First, for three-year-olds, the biggest rate disparity is for GFCC programs. As mentioned above, CCAP voucher rates are set using a flawed market rate methodology, which does not take into account operating or salary costs. However, NYCPS uses more of a traditional contract process, which includes wage standards, with centers offering 3-K.

Because the City has not offered a similar contract negotiation process for home-based programs, the NYCPS-contract rate for GFCCs is significantly lower than the CNYCA model results. This has resulted in significant challenges retaining staff and clients for GFCC programs (Melodia and Paredes 2025). While the City may not have sufficient funding to make child care free for all families yet, it can amend contract rates today, which will put programs on a sustainable path to meet increased demand as the City's public services expand. Fixing contract rates (and other problems in the system) before expansion has been a top demand of center staff and home-based providers since Mayor Mamdani was elected. NYCPS should start by addressing the largest disparity: the rates paid to home-based programs for 3-K and now 2-K.

Second, this comparison reveals the large disparity between all infant contract rates and CNYCA's model results. Infant care is extremely expensive due to the high staffing ratios – 1:2 in home-based programs and 1:4 in centers. This is compounded by other operating costs; for centers, this includes additional administrative staff, like directors, and high commercial rent.

Currently most programs are able to keep infant care costs lower than the CNYCA model results, because they can spread costs across multiple age groups. This comparison, therefore, points to the financial benefit of multi-age environments. It is critical for the City to focus on contracting for the whole program (see Figure 2), not just per seat, and providing flexibility within that contract for programs to adapt their services and staffing to respond to the needs of parents in their communities.

However, these results also reveal one of the biggest risks with the City's current plan to launch 2-K through contracts administered by NYCPS with a network affiliation condition. 80 percent of home-based providers do not have network affiliation and are, therefore, ineligible to participate. Meanwhile, these businesses rely on having two-year-olds in care and cannot afford the additional staffing costs associated with putting more of their seats in infant care (Melodia and Paredes 2025). This implementation plan, then, creates a structure where some program modalities (GFCC and FCC programs) become relegated to only providing infant care. These programs will not come close to covering operating costs.

For example, an FCC program left to only care for children under two years old can only care for two children per staff person. The current CCAP voucher rate for an infant is $400 per week. This would amount to revenue of $16 per hour – not enough to pay a staff person or home care operator a minimum wage, much less cover operating costs. For private-pay families, this would result in private rate hikes for infant care, making child care even more unaffordable and undermining the mayor's goal of preventing outmigration of young families. Or, since most parents won't be able to afford rate increases to cover an infant-only program, this could result in the rapid closure of child care programs. This would lead to the loss of staff and programs needed for a fully universal system. It would also reduce infant child care supply in the short-term, contributing to outmigration of young families.

CNYCA's model results suggest that more planning is needed now for thinking through universal child care for infants. Such planning can mitigate the challenges presented by the current implementation plan. But the high costs for infant care also demonstrate that it may be more cost effective to explore other family policy options, such as extended paid family leave and temporary disability insurance; cash assistance; Family, Friend, and Neighbor care (known as "legally-exempt" in New York); or part-time care as part of the universal child care system.

5. Next Steps to Universal Child Care

Significant resources are needed to implement fully universal child care that is high-quality and stable. The system, therefore, cannot be built overnight, but it's also not being built from scratch. Today, 16,006 programs are licensed in the State. These programs, combined with NYCPS's own Pre-K and 3-K classrooms, have the capacity to serve 526,998 children in the State. (See Figure 5.) In New York City, an estimated 50,328 educators are relied on to deliver quality early care and education. All these existing programs and staff are foundational to a fully implemented universal system.

Current funding constraints necessitate a phased approach as well as a clear vision of what universal child care is; a commitment to fairly compensate workers; and careful design and preparation for high-quality care that meets the needs of children and working families. Without these, and risk mitigation at each phase, the goal of a fully universal system could very easily be undermined. With only two years of State funding secured for the first phase, the stakes are high. The City must deliver on its current commitments, plan for remaining phases, and build the evidence base needed to secure additional funding and political support.

The model points to five policy priorities: Given the high stakes and large budget gaps, here are five major policies that have yet to be addressed by the governor and mayor's FY2027 path to universal child care budget priorities.

1) **The State and City need to invest more to implement fully universal child care.** In the short-term, those investments will likely be made through raising local taxes. However, the State and City should also advocate for increased federal funding to sustain the system long-term. Existing contract and voucher rates do not cover the cost of care and will need additional resources; expanding government payment for more seats to serve more families will also require additional resources.

2) **The State and City should amend current public contract and voucher rates to cover operating cost and salary needs for child care programs today.** Such rate increases are needed to sustain the existing programs and staff that offer a significant portion of the total capacity needed for a fully universal system. If there are not enough resources available from the existing State and City budget process, the government will not achieve its goal. For too long, social services like child care have been under-budgeted. This forces workers to take a pay cut in order for policymakers to achieve their policy goals. Focusing on contract and rate amendments now will provide State and City policymakers with better information about the true cost of care that they will need to budget for year after year. If the City is committed to serving all two-to-four-year olds by the end of the mayor's first term, and does not have sufficient funding to pay for seats and the child care workforce, they need to consider continuing to utilize cost-sharing or co-pays to guarantee programs have sustainable funding.

3) **The State and City needs to implement a sector-wide salary scale.** A sector-wide salary scale can be immediately incorporated into City contract rates, and the State can establish one by legislation or through a wage board. The State must amend its CCAP voucher rate methodology, adopting a true cost of care method that incorporates the sector-wide salary scale. Implementing this change with existing budgeted dollars will likely lead to reducing expectations on how many children can be served with existing resources. But it will also be a key to determining what revenue will be needed to pay for existing public investments and each phase-in to a fully universal system. As the biggest cost to programs, establishing labor standards is critical to any revenue forecasting and tax policy proposals.

4) **The State and City should create a wage subsidy to guarantee better wages while the system still relies on a mix of public and private revenue.** Amending contract and voucher rates today is not sufficient for *achieving* a sector-wide salary scale for the sector today. Because so many seats are still outside of the public sector, private rates for those seats will continue to put downward pressure on programs' ability to pay their staff and, for home-based providers, to pay themselves. A wage subsidy is a critical labor policy component of a phased-in implementation plan. If the State and City cannot afford to cover the full cost of all seats now or for the foreseeable future, then they can at least offer a wage subsidy to fill the gap between a program's mix of public and private revenue and the additional dollars needed to pay all staff according to a sector-wide salary scale. If the State and City wait to achieve a sector-wide salary scale until they have sufficient funding for the universal system, they will fail to retain the 50,328 existing staff or recruit the 23,640 additional staff needed.

5) **The City should consolidate all child care systems under one agency.** The City could likely reduce administrative costs this way. There are many issues that result from administering CCAP voucher and NYCPS child care services in separate agencies. Bringing these public services under one agency will help the City move towards a whole-of-program approach: funding the program and its capacity in ways that can be flexible to meet demand from various public services and sustain non-profit centers, home-based programs, and the child care workforce through this transition period. Continuing the current fractured system limits policymakers' view of what is needed to guarantee the success of these programs to meet the needs of the city's diverse families and communities.

How we plan to utilize the cost model: This report highlights key findings from CNYCA's universal child care cost model. The model is a dynamic tool that can be modified with new assumptions and extensions to guide policy design and implementation.

CNYCA aims to develop a dynamic, online version of the model for policymakers and advocates to use directly to adjust assumptions and produce results. In the meantime, policymakers and advocates can reach out to CNYCA with modeling requests. The model can currently be used in the short-term to evaluate costs for various phases of the implementation plan identified by State and City policymakers, like estimating the total cost of a fully implemented 2-K service in New York City.

Through the review of the model's initial results, CNYCA identified other next steps to further develop the model:

1) **More fully integrate NYCPS seats into the model.** With more granular current spending data, CNYCA can more fully incorporate seats located within the NYCPS agency to the model directly. This would enable CNYCA to produce a more accurate estimate of the total revenue needed for a mixed delivery system. It would also allow for cost comparisons between public school seats and center and home-based programs.

2) **Extending the model to include after-school care and other family policies.** Given the importance of the State and City's existing child care programs that are private small or non-profit businesses, the universal implementation plan must consider the sustainability of the whole program, not just a tranche of seats for a particular age group. Many child care programs also operate after-school programs, which this model does not take into account. Therefore, one immediate next step is to extend the model to fully understand the capacity needed for and associated with after-school care. Additionally, we plan to extend the model to include Paid Family Leave, Temporary Disability Insurance, and cash assistance to evaluate how current family policy changes child care uptake rates and determine if expanding other families policies should be considered given high-cost infant care.

3) **Adjusting uptake rates.** CNYCA aims to work with government and non-profit research organizations to develop more accurate estimates of uptake rates to apply to the existing model. This includes adjusting rates in the model as it exists today, and incorporating findings from evaluation of after-school care and other family policies.

4) **Adding costs the model does not currently include.** In preparing this iteration, we explicitly excluded retirement benefits, food, and capital costs. In the future, CNYCA aims to incorporate these costs as well as feedback from center and home-based programs on other non-personnel costs.

References

The Annie E. Casey Foundation, *Child Population by Single Age in the United States*, KIDS COUNT Data Center, 2025.

CUNY Professional Development Institute, *The Aspire Registry* (workforce registry data), New York Works for Children, 2025.

CUNY Professional Development Institute, *Charting a Path Toward Equitable Pay: A Revised Career Ladder and Parity Salary Scale for the New York Early Childhood Workforce*, 2026.

Day Care Council of New York, *Building a Stronger Child Care Workforce for New York City*, December 2025.

The Education Trust–New York, *True Cost of High-Quality Child Care Model*, February 2023.

Empire State Campaign for Child Care, *ESCCC Survey One-Pager*, February 2025.

Fitzsimmons, Emma G. and Gómez, Martín González, *Zohran Mamdani Has Ambitious Plans. How Much Will They Cost?*, The New York Times, November 7, 2025.

Fortin, Pierre, *Quebec's Childcare Program at 20: How It Has Done, and What the Rest of Canada Can Learn*, Inroads: The Canadian Journal of Opinion, Winter 2018.

Massachusetts Institute of Technology, *Living Wage Calculator*, 2025.

Melodia, Lauren and Paredes, Alex Madge, *Dignified Pay for Quality Care: What New York's Family Child Care Providers Need to Thrive*, Center for New York City Affairs, November 2025.

Melodia, Lauren and Tursini, Ludovica, *Universal Child Care Is on Course. But Is Fair Pay for Child Care Workers?*, Urban Matters, Center for New York City Affairs, January 28, 2026.

Melodia, Lauren, *City FY2027 Budget Estimate: City Must Address Child Care Budget Gap for Low-Income Families and Low-Wage Workers*, Center for New York City Affairs, June 2026.

Mokhiber, Zane, Gould, Elise, and deCourcy, Katherine, *The Economic Policy Institute's Family Budget Calculator: Technical Documentation*, Economic Policy Institute, January 24, 2025.

National Academies of Sciences, Engineering, and Medicine, *Transforming the Financing of Early Care and Education*, National Academies Press, 2018.

New York City Council, Committee on Education Hearing, *Discussion on Delayed Payments for Early Childhood Education Providers*, February 20, 2025.

New York City Economic Development Corporation, *Childcare Innovation Report*, 2021.

New York City Independent Budget Office, *3-K & Pre-K Seats by School District*, 2025.

New York City Mayor's Office of Operations, *Preliminary Mayor's Management Report, Fiscal 2026:*

Department of Education, January 2026.

New York State Department of Health, *Estimated Population by Age, Sex, and Region, New York State – 2022, Vital Statistics of New York State*, 2022.

New York State Office of Children and Family Services, *Child Day Care Regulations* (GFCC: 18 NYCRR § 416.8(j); FCC: 18 NYCRR § 417.8(j); Center: 18 NYCRR § 418-1.8(j)).

New York State Office of Children and Family Services, *2024 Child Care Market Rate Survey Report*, 2024a.

New York State Office of Children and Family Services, *Child Care Assistance Market Rates (24-OCFS-LCM-22, Attachment A)*, 2024b.

New York State Office of Children and Family Services, *Division of Child Care Services Fact Sheet*, 2025.

New York State Office of Children and Family Services, *Child Care Assistance Program (CCAP): Help Paying for Child Care*, 2026.

New Yorkers United for Child Care, *UPC: A Five Year Roadmap for Universal Public Child Care,* November 2024.

Office of the New York City Comptroller, *Child Care Affordability and the Benefits of Universal Provision*, January 2025.

Organisation for Economic Co-operation and Development, *Education at a Glance 2025: OECD Indicators*, OECD Publishing, September 2025a.

Organisation for Economic Co-operation and Development, *PF3.2: Enrolment in Childcare and Preschool*, OECD Family Database, 2025b.

Prenatal to Five Fiscal Strategies, *50-State Child Care Cost Model: Methodology*, July 2025a.

Prenatal to Five Fiscal Strategies, *50-State Child Care Cost Model* (interactive tool), 2025b.

Stienon, Audrey and Boteach, Melissa, *Children Before Profits: Constraining Private Equity Profiteering to Advance Child Care as a Public Good*, National Women's Law Center and Open Markets Institute, June 2024.

Stienon, Audrey, *Children Before Profits in the States: Empowering Communities to Constrain Private Equity Profiteering in Local Child Care Markets*, Open Markets Institute, February 2026.

Workman, Simon, *Where Does Your Child Care Dollar Go? Understanding the True Cost of Quality Early Childhood Education*, Center for American Progress, February 14, 2018.

Glossary

Center program: Businesses licensed to operate in commercial spaces. They may be operated by non-profit organizations or for-profit firms and must comply with State rules and regulations.

Child Care Assistance Program (CCAP): Often known as "subsidized care" or "vouchers," CCAP provides income-eligible parents a voucher to use at a licensed child care program of their choosing. The service is overseen by the State Office of Children and Family Services (OCFS) and administered by local social service districts (ACS in New York City). CCAP pays child care programs directly a significant portion of the price to recipient parents for the services their child is enrolled in. Funds for CCAP vouchers are set aside in the New York State budget and are largely financed from the Child Care Development Block Grant (CCDBG). Many CCAP policy designs are guided by federal CCDBG rules.

Child Care Development Block Grant (CCDBG): CCDBG is the federal block grant funding to states. It is determined through a formula based on a variety of need-based factors, not demand for services.

Family Child Care (FCC): FCC programs are small businesses owned and operated by providers in their own homes. In New York City, FCC programs are registered by the City Department of Health and regulated by the State. They are officially called Family Day Care. They may have a maximum capacity of six children ages six weeks to under six years old, as well as two school-age children, for a total of eight children. They must hire additional staff for every two infants in care.

Extended-day: A New York City Public Schools term used to describe its contracted care services (i.e. Pre-K and 3-K) that provide care for eight to 10 hours. For the most part, only families income eligible for the CCAP voucher are able to receive free extended day Pre-K and 3-K. However, the City plans to make 2-K an extended day service for all families.

Group Family Child Care (GFCC): GFCCs are small businesses owned and operated by providers out of their homes, are licensed by the City Department of Health, and regulated by the State. They are officially called Group Family Day Care. They're distinguished from FCCs because they can care for up to 16 children (12 children ages six weeks to under six years old, as well as four school age children), with sufficient staffing. They must hire additional staff for every two infants in care.

Home-based: This term is used to describe FCC and GFCC programs combined.

New York City Public Schools (NYCPS): The City agency that administers the Pre-K, 3-K, and other child care services, like EarlyLearn, in the five boroughs. The majority of these services are not delivered at public schools but at center-based child care programs which contract with the City. NYCPS was previously called the Department of Education (DOE).

Program Modality: This term is used to describe the difference between center- and home-based care.