NYC’S CHILD CARE AFFORDABILITY CRISIS:
AN ANALYSIS OF THE MOST RECENT DATA

Citizens’ Committee for Children of New York
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DATA SOURCES

Data on child care costs come from the 2022 Child Care Market Rate Survey Report from the New York State Office of Children and Families, which surveyed providers during 2021 and 2022. The report documents the 80th percentile of market-related payment rates for child care services by New York regions, which is used to reimburse providers as required by state law every two years. The 2022 report offers the most recent data available.

Estimates of median family income come from the US Census Bureau’s 2021 American Community Survey Public Use Microdata Area Sample File, 5-year Estimates. We provide calculations for child care cost burden and affordability at the citywide, borough/county-level, and for NYC’s 59 Community Districts, including disaggregated estimates for households with children headed by a Married Couple or Single Parent. Some estimates for Community Districts should be interpreted with caution due to sample sizes smaller than 200 households.
The share of families with children under five years of age who pay less than 7% of their annual income on the estimated cost of child care. The threshold for child care affordability is based on the U.S. Department of Health and Human Services’ Child Care and Development Fund benchmark that family copayments should not exceed 7% of a family’s income.
The cost of child care for one child as a percentage of median household income for families with at least one children under five years of age. We calculate infant/toddler child care cost burden and preschool age child care cost burden independently, meaning the cost burden of child care for a family with one infant or toddler and one preschool age child (3-5 years old) in full day child care, would be additive.

Note: Preschool child care cost estimate refers to any full day child care option that families need to use if their child does not receive publicly funded early care education (such as Pre-K, 3-K, or vouchers).
The cost of child care for young children is a significant burden on families living in NYC. A family with one infant and one preschool age child earning the median income for families with young children ($86,000) would spend 43% of their annual income on center-based child care alone; or 36% of income for care in home-based settings.

A family with one child under the age of five might spend between 14% and 41% of their income on child care alone. In ten communities, in the Bronx and Brooklyn, the range is even higher: center-based child care would consume more than 40% of median income for families; and could consume 80% of median family income among single parent-headed households. In these same ten communities, less expensive home-based care would still consume at least 33% and up to 50% of median income for families with young children.
KEY FINDINGS – CHILD CARE COST AFFORDABILITY

- Among all families with young children citywide, only 11% of families can afford center-based child care for one infant or toddler, and only 14% can afford child care for one preschool age child in center-based child care settings.

- In less expensive home-based child care settings, more families in the city can afford care, but still more than 80% of families would NOT be able to afford child care for one infant or toddler, or one preschooler.
The 80th percentile of market-related payment rates for child care services for New York City counties: Bronx, Kings, New York, Queens, and Richmond.
While median incomes for families with young children have increased in recent years, child care costs would still consume a significant share of annual income.
A DEEPER LOOK AT

CHILD CARE COST BURDEN

Findings by age of child in care, household composition, and community
Citywide, center-based or home-based child care for infants and toddlers would consume a significant share of median income among families with young children. The cost burden is even more severe among single-parent headed households.

- Among Single Parents:
  - Median Income: $46,700
  - Center-based Care Consumes 41% of median income
  - Home-based Care Consumes 33% of median income

- Among All Families:
  - Median Income: $86,000
  - Center-based Care Consumes 23% of median income
  - Home-based Care Consumes 19% of median income
Similarly, cost of center-based care for preschool age children would consume 19% of median income among all families with young children. For single-parent families, that burden is even higher, with 34% of their income being burdened by cost of child care. For less expensive home-based care would consume 16% of median income among all families, and 29% of median income among families headed by a single parent.

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<thead>
<tr>
<th>Among</th>
<th>Center-based Care Consumes</th>
<th>Home-based Care Consumes</th>
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<tbody>
<tr>
<td>Single Parents</td>
<td>34% of median income</td>
<td>29% of median income</td>
</tr>
<tr>
<td>Median Income</td>
<td>$46,700</td>
<td>$86,000</td>
</tr>
<tr>
<td>All Families</td>
<td>19% of median income</td>
<td>16% of median income</td>
</tr>
<tr>
<td>Median Income</td>
<td>$86,000</td>
<td>$86,000</td>
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</tbody>
</table>
For families who need to arrange child care for two children, center-based care for one infant/toddler and one preschool age child would consume over 40% of median income, and for among single parents, over 75%. Home-based care for two children would consume 35% of median income among all families, and 62% of median income among single parents.

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<thead>
<tr>
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<th>Share of income for Infant/Toddler Child Care</th>
<th>Share of income for Preschool Age Child Care</th>
<th>Total Cost Burden for Two Children</th>
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<tbody>
<tr>
<td><strong>Among Single Parents</strong></td>
<td></td>
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<tr>
<td>Median Income: $46,700</td>
<td>Center-based 41%</td>
<td>34%</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Home-based 33%</td>
<td>29%</td>
<td>62%</td>
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<tr>
<td><strong>Among All Families</strong></td>
<td></td>
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<tr>
<td>Median Income: $86,000</td>
<td>Center-based 23%</td>
<td>19%</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>Home-based 19%</td>
<td>16%</td>
<td>35%</td>
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</tbody>
</table>
In 15 communities in NYC, center-based child care for infants or toddlers would consume between 33% and 63% of the median income among families with young children. For single-parent families, the cost burden in several communities goes up to 80%.

For more information on infant/toddler child care cost burden, visit data.cccnewyork.org
In 25 communities in NYC, home-based child care for infants or toddlers would consume between 20% and 50% of the median income among families with young children. The cost burden goes up to 66% in single-parent families, within a handful of communities.

For more information on infant/toddler child care cost burden, visit data.cccnewyork.org
In 32 out of 59 NYC community districts, center-based child care for preschool age children would consume between 20% and 52% of the median income among families with young children living in the community.

For single-parent families, the cost burden in several communities goes up to 70%.

For more information on preschool child care cost burden, visit data.cccnewyork.org
In 18 NYC communities, home-based child care for preschool age children would consume between 20% and 44% of the median income among families with young children living in the community.

For single-parent families, the cost burden in several communities goes up to 58%.

For more information on preschool child care cost burden, visit data.cccnewyork.org

Citizens’ Committee for Children of New York
A DEEPER LOOK AT
CHILD CARE
AFFORDABILITY

Findings by age of child in care, household composition, and community
INFANT/TODDLER CHILD CARE AFFORDABILITY

Citywide, center-based child care for infants and toddlers is affordable to only 11% of all families, while home-based care is affordable for 15%. A smaller share of single parent-headed families can afford the cost of care in either setting.

Among Single Parents

- Only 3% can afford center-based care for one infant or toddler
- Only 5% can afford home-based care for one infant or toddler

Among All Families

- Only 11% can afford center-based care for one infant or toddler
- Only 15% can afford home-based care for one infant or toddler

Citizens’ Committee for Children of New York
Citywide, center-based child care for preschool age children is affordable to only 14% of all families, while home-based care is affordable for 19%. A smaller share of single parent-headed families can afford the cost of care in either setting.

Among Single Parents
- Only 5% can afford center-based care for one preschool age child
- Only 7% can afford home-based care for one preschool age child

Among All Families
- Only 14% can afford center-based care for one preschool age child
- Only 19% can afford home-based care for one preschool age child
In 38 out of 59 NYC community districts, less than one in ten of families can afford to pay for center-based child care for infants and toddlers. These communities exist in all five boroughs.

For more information on infant/toddler child care affordability, visit data.cccnewyork.org
In 26 NYC community districts, less than one in ten of families can afford to pay for home-based child care for infants and toddlers. These communities exist in all five boroughs.

For more information on infant/toddler child care affordability, visit data.cccnewyork.org
In 28 out of 59 NYC community districts, less than one in ten families with young children can afford center-based care for one preschool age child. These are almost the same districts where families cannot afford center-based infant/toddler care.

For more information on preschool age affordability, visit data.cccnewyork.org
In 18 NYC community districts, less than one in ten families with young children can afford home-based care for one preschool age child. These are almost the same districts where families cannot afford home based infant/toddler care.

For more information on preschool age affordability, visit data.cccnewyork.org
SUMMARY

High quality early care and education (referred to as child care) is essential to children’s healthy development and plays a fundamental role in supporting the economic stability and mobility of working parents and caregivers. Access to this essential service is unaffordable for most families with young children in New York City. A family earning the median income most likely would spend no less than 35% their income if they needed child care for one infant or toddler and one preschool age child. Considering that 53% of families with children citywide are rent burdened (paying more than 30% in rent costs), these families would spend more than half of their annual income on housing and child care costs alone.
FOR MORE INFORMATION

Please visit:
cccnewyork.org
data.cccnewyork.org