



**Testimony of Day Care Council of New York
Before the New York City Council Committee on Education
Honorable Eric Dinowitz, Chair and
The Subcommittee on Early Childhood Education
Honorable Jennifer Gutierrez, Chair
Fiscal Year 2027 Preliminary Budget Hearing**

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Thank you, Chair Dinowitz and Chair Gutierrez, and members of the Committee on Education and the Subcommittee on Early Childhood Education, for the opportunity to testify. Over the past several years, the City Council has fought hard to save child care centers threatened with closure and to increase the salaries of teachers, directors, and support staff in community-based child care centers and home-based programs.

The Day Care Council of New York (DCCNY) is the membership organization of early care and education providers across New York City. DCCNY envisions a future in which all children have access to high-quality early childhood education and providers and their workforce have the tools and resources needed to deliver it.

DCCNY supports its members and the broader early childhood field through policy research and advocacy, labor relations and mediation, workforce training and professional development, and referral services for families seeking child care. Our member organizations operate more than 200 sites across all five boroughs.

Most DCCNY member organizations contract with the New York City Public Schools, while others rely on child care vouchers issued by ACS and HRA, federally funded Head Start contracts, or private funding. Collectively, DCCNY member organizations employ over 4,000 New Yorkers – predominantly Black and Brown women - and serve children and families citywide.

Early Childhood Expansion

DCCNY has long advocated for universal access to high-quality early childhood education. We are excited that our member organizations will be part of the growth and expansion of the early childhood education proposed in both Mayor Mamdani’s and Governor Hochul’s budget proposals.

However, these investments will only succeed if early childhood providers and the workforce have the infrastructure needed to operate sustainably. DCCNY looks forward to working with the administration and City Council to ensure that these expansions create stability for early childhood education provider organizations and fair compensation for the early childhood workforce, which has been undervalued for too long.

Stabilize Early Childhood Education Providers

Despite the overwhelming enthusiasm for early childhood education, child care providers continue to struggle day to day to keep their doors open and pay their bills on time. New York City must take action to support the organizations and small businesses that provide early childhood education.

In order to stabilize community-based early childhood education providers, DCCNY offers the following recommendations:

Implement Cost Escalators in Child Care Contracts.

New York City Public Schools is in the process of extending contracts for two years with early childhood education providers who won contracts through the Birth-to-Five RFP. The Birth-to-Five RFP was issued in 2020 and went into effect in the fall of 2021. It includes the City’s contracts for Pre-K, 3-K, and Extended Day/Extended Year programs.

The Birth-to-Five contract made significant advances in early childhood education, and we are glad that the Administration has shown a willingness to engage with providers to ensure that the next procurement of early childhood contracts is a success. However, maintaining flat funding levels over the next two years fails to account for many of the

rising costs providers face.

DCCNY urges the City to immediately implement cost escalators of at least 3% to reflect increased costs for insurance, utilities, and other necessities of maintaining child care programs.

Ensure On-Time Payments

DCCNY is grateful to Speaker Menin, Councilmember Gutierrez, and the City Council for the passage of legislation that will provide greater transparency on how quickly contracted early childhood education providers are paid. The City must continue to work to secure on-time payments for providers by reducing regulatory burdens and fully staffing the Division of Early Childhood Education.

Increase advances to 75% of contract value.

Center-based providers with contracts for Pre-K, 3-K, and Extended Day/Extended Year programs are guaranteed at least 75% of the contract value under the Birth-to-Five contracts; increasing the guaranteed portion would improve cash flow and enable more effective planning and budgeting.

Hold providers harmless from enrollment-based penalties while NYCPS controls enrollment.

As long as enrollment is managed through a centralized system, providers should not be penalized for under-enrollment, consistent with protections afforded to early childhood programs operating in public schools.

Center-based and home-based programs should be held harmless for under-enrollment when NYCPS' district schools are held harmless for under-enrollment in their 3K and Pre-K classrooms.

Restore the Birth-to-Two Child Care Initiative

In the FY 2026 budget, the City Council invested \$10 million in the Birth-to-Two Child Care Initiative, which funds 240 free, non-means-tested Extended Day child care slots for children 2 years old and younger. Programs began delivering services in January 2026, and demand is high.

While some seats may transition into 2-K seats in several neighborhoods, the need for the program remains strong. This initiative is the only free program for infants for which

many parents qualify, and the only free service for 2-year-old children in school districts outside of the four districts that have been selected for 2-K expansion this year.

DCCNY urges restoration of \$20 million for the Birth-to-Two Child Care Initiative, which will allow the program to continue for a full year.

Support the Early Childhood Education Workforce

In every type of early childhood education setting, the workforce is underpaid and underappreciated. The early childhood workforce is overwhelmingly women, and in New York City, it is overwhelmingly women of color. Yet teachers, staff, directors, and home-based providers continue to earn significantly less than their counterparts in public schools.

This means that people who have the skills, knowledge, and education to be great early childhood educators, leaders, and support staff often cannot and do not stay in their roles because they cannot sustain their lives with lower salaries.

In order to address these inequities and ensure that child care provider organizations can attract and retain a quality workforce, DCCNY offers the following recommendations:

Achieve salary parity between the ECE workforce in public schools and community-based organizations: NYC should work with management and labor to ensure salaries and benefits across the sector that achieve parity with the public school system, including longevity increases for veteran educators, staff members, and directors.

Establish consistent expectations for pay based on experience: Establish a defined career ladder for early educators and articulate appropriate compensation at each rung.

Set a wage floor: The city can establish a minimum wage for child care workers that recognizes their labor and the skills required. This would, in particular, benefit teaching aides and staff in other support roles whose salaries are currently pegged to the citywide minimum wage.

Use contracts to drive toward parity across settings: The city can work with labor and management to address inequities in the current collective bargaining agreements. Notably, future contracts should include longevity increases comparable to what UFT members earn and provisions to address the longer day and year that many child care center teachers work. Contracts should include cost escalators to ensure salaries keep pace with inflation and COLAs.

Establish a wage fund: As part of the Empire State Campaign for Child Care, DCCNY is advocating for a dedicated State-level fund to increase compensation for child care workers. A fund like this at the city level could close the gap between what families can afford to pay for care and what programs need to appropriately compensate their workforce.

Provide universal health insurance coverage for child care workers: The city could expand health care coverage by providing access to free or very low-cost insurance plans, inclusive of the center-based and home-based workforce. In the past, the city had a health insurance program that CBOs could opt into. The city should revisit this model and determine how to make it more effective.

Expand access to pension plans: A majority of early childhood educators do not have access to employer- or union-supported retirement plans and are unable to save for retirement themselves. There are some publicly supported retirement systems, including the Cultural Institutions Retirement System (CIRS), which already include some child care workers. The city could work with CIRS to expand eligibility criteria, allowing more private child care programs to opt in for their employees.

Provide housing support: City workers, including public school teachers, are already eligible for priority in housing lotteries. However, this priority does not currently include child care workers. The city could set specific priorities within the Department of Housing Preservation and Development's affordable housing lotteries to ensure that child care workers receive the same priority as other essential workers.

Create career exposure and dual enrollment training programs for high school students: NYCPS continues to expand opportunities for workforce development and career exploration for high school students, child care careers should be added to the portfolio. Programs of this type have the dual benefit of attracting new people to the child care workforce while also filling immediate staffing gaps.

Launch a city-funded apprenticeship program: New York City could develop a city-funded apprenticeship program that matches current and aspiring caregivers with existing home-based or center-based programs to provide paid

on-the-job learning opportunities and also matches apprentices with low-cost or tuition-free credential programs. New York already has a robust infrastructure in place to support apprenticeships across sectors. Given the fragmentation of child care and the small scale of most programs, an apprenticeship program would likely need to be driven at the sector level by the city or an intermediary, such as DCCNY, rather than by individual child care programs.

DCCNY also urges New York City to work with New York State to:

Speed up the background check process for new staff

The city must continue to focus on expediting the background check process so that teachers can begin working in programs faster. The city should also explore making background checks portable. Currently, educators must undergo the background check process again if they start a new program, which may deter some educators from staying in the field. There is some precedent for expanding portability; currently, staff can work in different sites operated by the same organization. Moving to full portability would require state action.

Experiment with new credentialing models

Across the country, including elsewhere in New York State, community colleges are introducing new stackable micro-credentials to support current or aspiring early childhood educators who want to enhance their qualifications but may not have the time, budget, or interest to pursue a full degree. With buy-in from the city that micro-credentials could be tied to pay increases for early childhood educators, community colleges and child care programs could work together to develop coursework that addresses specific learning gaps they are seeing in the workforce. For child care workers, this could be a mechanism to build particular skills and be compensated for it.

Create substitute teacher pools

When a child care worker is absent, programs typically have to scramble to maintain coverage. Child care centers that contract with the city can access NYC Public Schools substitute teachers. However, they are required to pay those substitutes the UFT-negotiated rate of about \$50 an hour, which is more than centers can afford - and highly problematic internally when their own substitute teachers and support staff earn minimum wage (or \$18 per hour, if subject to DC-

37's CBA). Governor Hochul recently announced that funding for the State's substitute pool would only support home based providers in New York City due to DOHMH regulations. New York City could launch its own substitute pool, in collaboration with the state or on its own.

Thank you for the opportunity to testify. We are happy to answer any questions and can be reached at gbrender@dccnyinc.org and slohr@dccnyinc.org.