



Insufficient State Funds for Childcare Vouchers

Childcare vouchers (administered by the Administration for Children's Services) serve as an important source of childcare for thousands of children ages 6 weeks through 13 years. These are critical to keeping childcare affordable and supporting working parents.

Use this [link to read the full report](#) or scan the QR code.



SCAN ME

More Funding is Needed to Maintain Current Voucher Levels

IBO estimates that \$720 million in City funds will be needed in 2026 to maintain current enrollment levels, rising to over \$1.0 billion annually starting in 2027 (for a total program budget of \$1.6 billion).

If additional State funds are secured, the City will have to contribute less for 2026.

Growth in Number of Vouchers

The City is legally required to prioritize families who qualify for cash assistance (mandated) and families involved with the child welfare system. Separately, the City has also increased voucher usage among other lower-income families because of a New York State initiative and additional State funding (non-mandated lower-income).

Since 2020, when work requirements for cash assistance were suspended during the pandemic, voucher utilization shifted away from mandated vouchers towards non-mandated lower-income vouchers.

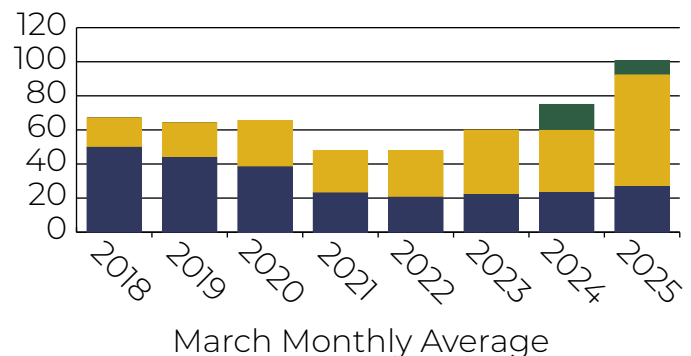
New York State Contribution

The State Enacted Budget included \$328 million for childcare vouchers, approximately one third of the \$1.0 billion requested by the Adams administration. Further, the funding requires a City match to be paid first.

Average Number of Childcare Vouchers in March By Year

- Mandated Vouchers
- Non-Mandated Lower-Income Vouchers
- Child Welfare Vouchers

Childcare Vouchers, in thousands



SOURCE: IBO analysis of Administration for Children's Services data
NOTE: March 2025 is the latest month of available data.
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