

# 2-Care For All:

A Blueprint for  
Implementing Universal  
Child Care for New York  
City's 2-Year-Olds

OCTOBER 2025



UNITED  
NEIGHBORHOOD  
HOUSES



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## About New Yorkers United for Child Care

New Yorkers United for Child Care (NYUC) is a new organization made up of parents and would-be parents in New York City, who are organizing to build the political power needed to win free universal public child care for all. By organizing parents of young children and New Yorkers who are considering building a family right here in New York City, we are building a strong grassroots organizing effort and lending a new source of power to the fight for universal child care.

## About United Neighborhood Houses of New York

United Neighborhood Houses of New York (UNH) is a policy and social change organization with a mission to promote and strengthen settlement houses' neighborhood-based, multi-service approach to improving the lives of low- and moderate-income New Yorkers. Settlement houses provide multi-generational services designed to support individuals, families, and communities. Settlement house programs build bonds within and between communities and create opportunities for advocacy and social change. UNH was founded in 1919 by settlement house leaders who recognized the strength in their collective voices to drive important social reforms. With this goal, UNH was tasked to coordinate the efforts of settlement houses; document their shared learning and experiences; and increase the influence and impact of settlement houses for the greater good of New York communities. UNH has successfully advocated for fair and affordable housing, child labor laws, inclusive policies and services for immigrants, adult literacy education, public recreation space, quality child-care and after-school programs, job training, programs serving older adults, access to the arts and to healthy food, and more.

We are grateful for the guidance and input from the providers and advocates in the 2-Care Coalition, as well as Advocates for Children.

This report was primarily written and researched by Nora Moran, Director of Policy and Advocacy at UNH, and a member of the NYUC policy advisory committee. Communications support was provided by Seneca Strategies. Design by Andrea Guinn.

# Executive Summary

## What is 2-Care?

- A free, full-day, year round child care program for all 2 year olds in New York City.
- Eligibility criteria is simple, mirroring New York City public schools, and includes, name, date of birth, and proof of address—no further questions asked.

## What does it cost?

- \$1.3 billion annually at scale, which accounts for required staffing ratios for health and safety, as well as living wages for staff.

## Who does it serve?

- 2-Care would serve an estimated 55,000 2-year-olds annually.
- 2-Care must give families choice among provider type, and be geographically accessible to them. It must also offer specialized programming for students with disabilities so that they can fully participate in 2-Care.

## Why start with 2-Care?

- Guaranteeing free child care at age 2 makes it easier for families to plan financially, as they know exactly when their child can enter into a universal public child care system.
- It creates a more seamless child care experience from ages 2 through 4, giving children consistency and ultimately helping prepare them for kindergarten.
- It's a consistent way to keep aging the city's universal child care system down, and will get us closer to a goal of universal access.

## Why does it matter now?

- The affordability crisis in New York City extends far beyond families living in poverty, creating an economic burden that affects middle-class and even upper-middle-class households.
- Full-time child care for a 2-year-old in New York City costs roughly \$23,400 annually—more than the cost of full-time tuition at CUNY.

- It is estimated that a household would have to make \$334,000 to afford the cost of care for a two year old in New York City, “four times the median family income or the equivalent of 10 minimum wage jobs.”
- New York City alone lost \$23 billion in economic activity in 2022 because parents dropped out of the workforce or cut back working hours due to child care issues<sup>1</sup>
- The high cost of child care is a primary driver for families leaving New York City. Families with children under the age of six are twice as likely to leave New York City.
- Providing care for 2 year olds supports them at a crucial time in their brain development.

## **How can 2-Care be implemented?**

- Provider capacity must be built up to scale 2-Care effectively. This includes converting existing child care programs to participate in 2-Care, creating new capacity in child care deserts, and investing in the workforce, particularly family child care providers.
- A 4 year rollout plan should focus first on high-need districts with the most families of 2-year-olds in poverty, and then quickly expand to ensure that every borough has access based on economic need and child care capacity. Ideally New York City could roll out 2-Care over the next four years.
- By better utilizing existing state and federal funding, and using newly dedicated city tax levy and state dollars, New York City could scale up 2-Care to meet universal demand.

<sup>1</sup> <https://edc.nyc/sites/default/files/2023-03/Childcare-Toolkit.pdf>





# Introduction

**In January 2025**, New Yorkers United for Child Care and United Neighborhood Houses launched a campaign to create 2-Care—free universal child care for 2-year-olds in New York City.

After mobilizing 10,000+ parents and dozens of child care advocates and leaders, the campaign secured a historic \$10 million investment in the FY26 New York City budget to expand child care to children under the age of 2—the first time New York City significantly expanded its universal child care system since the creation 3-K.

This white paper outlines how to scale that victory into a fully accessible 2-Care program for all 2-year-olds in New York City.

# Key Program Parameters

## The Numbers

- **Cost:**

**\$1.3 billion** annually at full scale

- **Cost per child:**

**\$27,805** (center-based) / **\$23,717** (family child care)<sup>2</sup>

This cost estimate is based on the NYC Department of Health and Mental Hygiene's requirements for health and safety staffing ratios and livable wages for child care staff.<sup>3</sup>

- **Children Served:**

Approximately **55,000** children

We estimate that the families of 55,000 two year olds will choose to use 2-Care. This represents 60% of two year olds in New York City (based on the 2023 American Community Survey estimate). This builds on the target utilization rates of Pre-K (80% of 4-year-olds) and 3-K (70% of 3-year-olds), as well as other countries with mature, universal child care systems.<sup>4</sup>

<sup>2</sup> Note: Prenatal to Five Fiscal Strategies does not break down the cost per child in a Family Child Care setting by age. The \$23,717 is the slot cost for a Group Family Daycare program, which has a maximum capacity of 12 children per site.

<sup>3</sup> Calculations were done using Prenatal to Five Fiscal Strategies' report on the cost of child care in New York State, which relies on the MIT Living Wage Calculator [https://raisingnewyork.org/wp-content/uploads/sites/2/2023/03/New-York-CC-Cost-Model-results-memo\\_Jan2023.pdf](https://raisingnewyork.org/wp-content/uploads/sites/2/2023/03/New-York-CC-Cost-Model-results-memo_Jan2023.pdf)

<sup>4</sup> <https://static1.squarespace.com/static/64989b0dc1b2fa02e6188180/t/673c98333262f44fce460451/1732024373382/NYUC+UPC+Full+Report.pdf>

# 2-Care by the Numbers

## \$1.3 billion

Annual cost at full scale.

## 55,000

Approximately 55,000 children served.

## \$23,400

Average cost saved by families annually.



### Year-Round

Most Pre-K and 3-K only operate for 6 hours and 20 minutes a day from September-June. Many families still need child care coverage outside of those times, and some might not be able to afford paying for extended hours.



### Non-Means-Tested

Parents and providers have consistently reported that current income-verification programs are burdensome and take too long to process, sometimes forcing families to find other arrangements. According to the FY25 Mayor's Management Report, total infant/toddler enrollment in subsidized seats decreased by 39 percent. This mirrors enrollment dips in subsidized seats for 3 and 4 year olds in recent years, and highlights the challenges that families face accessing care.

## Program Design:

- **Free:** Free for all New York City families
- **Full Day:** A full day of care from 8am–6pm to meet the needs of working parents
- **Year-Round:** Operation all 12 months of the year
- **Non-Means-Tested:** The program would be non-means-tested, mirroring criteria of Pre-K, 3-K, the City's recent School Day Plus program, and the \$10 million pilot program for infants and toddlers.
- **Simple Application Process:** Applications would simply ask for a name, address, and date of birth—no further questions asked. They could be completed centrally via the DOE or on-site at a child care provider, like the 3-K and Pre-K process.

## Aggressive Public Outreach:

Alongside these 5 key program metrics, New York City must also run a robust outreach program to ensure that families understand their choices and options when enrolling in 2-Care. When New York City first rolled out Pre-K and 3-K, programs were advertised in a variety of places that parents might receive information, and NYC Department of Education employees worked to do individual outreach to potentially eligible families. This effort was crucial to helping families understand their care options and to ensure they were taking advantage of what the City was offering them. These outreach efforts were significantly diminished under the Adams Administration, and coincided with a decline in enrollment in Pre-K and 3-K programs during his tenure. Reinstating outreach efforts will help all families looking for child care, and will help ensure that 2-Care is widely publicized and utilized. Specific examples of outreach efforts include:

- Deploying a pool of outreach staffers to community events, subway stations, playgrounds, parks, and other public spaces to share information on 2-Care, and how to apply.
- Creating a team of enrollment specialists, who can be contacted via 311, to explain 2-Care to interested families, share program options, and walk families through the application process.
- Creating a centralized team who can review capacity and enrollment data in real time to ensure that neighborhoods have appropriate 2-Care capacity, and that families are enrolling to attend those programs.
- Using robocalls, text messages, social media, and mailers to target potentially eligible families.
- Placing large advertisements in key public places, including bus shelters, LinkNYC kiosks, subways, and playgrounds.



- Partnering with local elected officials and community boards to advertise 2-Care and how to enroll.
- Partnering with hospital systems and pediatric practices to distribute information about 2-Care at a child's well visit.
- Outreach to families with children in the K-12 system to ensure they know about 2-Care in case they have eligible children.

Finally, 2-Care must be accessible to all children, including children with disabilities. Parents of children with disabilities deserve to access quality child care programs, and child care providers should receive the right support to serve any child in their community, regardless of their needs.

2-Care presents an opportunity to connect children to the Early Intervention Program (EIP), and then ultimately transition them to pre-school special education 4410 programming. The Early Intervention Program, administered by the Department of Health and Mental Hygiene (DOHMH), helps young children (birth to 3 years) who are not learning, playing, growing, talking or walking like other children their age. There must be a strong partnership with DOHMH to ensure that children entering 2-Care with EI services in place are able to receive them in their program if appropriate, since EI services should take place in a child's natural environment. Also, 2-Care providers must be trained on how to identify any developmental delays and make referrals for EI assessments. The timing of transitioning a child from an Early Intervention Program to a pre-school special education 4410 program can be complex,<sup>5</sup> so close coordination between 2-Care providers, DOHMH, and DOE will be important as well.

The earlier that children are identified and given support, the better their life trajectory. 2-Care presents a critical chance to do so.

<sup>5</sup> The New York State Education Department offers a calculator to determine when a child is eligible for EI versus a 4410 program: [https://www.p12.nysed.gov/sedcar/ei\\_to\\_4410\\_calculator.html](https://www.p12.nysed.gov/sedcar/ei_to_4410_calculator.html). Given the complex timing due to birthdays, close coordination will be crucial for transitioning children to the right services at the right time.

# 5 Key Metrics for 2-care

- ✓ **Free**
- ✓ **Full Day**
- ✓ **Year-Round**
- ✓ **Not Means-Tested**
- ✓ **Simple Application Process**



# Why 2-Care Matters Now

**The child care affordability crisis** in New York City extends across nearly all families, creating an economic burden that is crushing New York families and forcing families out of the city, draining our tax base and putting the city's economic future at risk.

**Broad Economic Hit to Families:** Full-time child care for a 2-year-old in New York City costs roughly \$23,400 annually<sup>6</sup>—more than the cost of annual tuition at CUNY. According to the NYC Comptroller a household would have to make \$334,000 to afford the cost of care for a two year old in New York City, “four times the median family income or the equivalent of 10 minimum wage jobs.” The affordability crisis in New York City extends far beyond families living in poverty, creating an economic burden that affects middle-class and even upper-middle-class households.

6 <https://comptroller.nyc.gov/reports/child-care-affordability-and-the-benefits-of-universal-provision/>

**Population Loss Driver:** The crisis has become a primary driver of population loss among families with young children, undermining New York City's long-term economic competitiveness:

- New York City alone lost \$23 billion in economic activity in 2022 because parents dropped out of the workforce or cut back working hours due to child care issues<sup>7</sup>
- Families with children under the age of six are twice as likely to move out of New York.<sup>8</sup>

This exodus represents not just individual hardship but a systemic threat to the city's economic future. The \$1.3 billion annual cost of 2-Care is a bargain compared to the losses from maintaining the current system.

**Child Development:** 2-Care also represents a critical investment in child development during the most formative period of brain growth:

- 80% of brain growth happens before age 3, making quality early childhood care essential for setting children up for success in Pre-K, kindergarten, and beyond.<sup>9</sup>
- Research consistently demonstrates that high-quality early childhood programs produce positive outcomes in academic achievement, social-emotional development, and long-term life success.

Currently, families must navigate a patchwork of often expensive options before their children become eligible for 3-K, limiting developmental opportunities for children who can't access quality care.

7 <https://edc.nyc/sites/default/files/2023-03/Childcare-Toolkit.pdf>

8 <https://fiscalpolicy.org/wp-content/uploads/2024/06/FPI-Migration-Pt-2.pdf>

9 <https://files.firstthingsfirst.org/why-early-childhood-matters/the-first-five-years>

# 2-Care by the Numbers

## \$23 billion

Economic activity lost in New York City alone in 2022 due to lack of child care.

## \$23,400

Cost of full-time child care for a 2-year-old in New York City.

## 80%

80% of brain growth happens before age 3, making early childhood care essential.





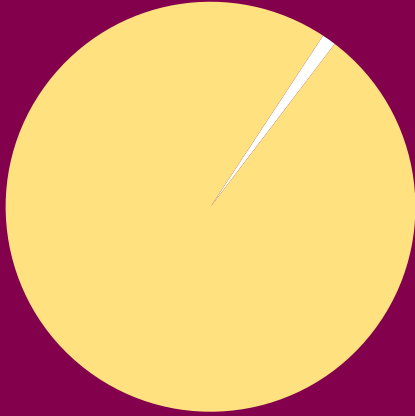
# Implementation Framework

**2-Care would build on** New York’s proven track record of success with Pre-K and 3-K for All, combining diversified funding streams, a targeted geographic rollout, and strategic capacity building. The program would build on the lessons learned from the rollout of those programs by focusing on an equitable roll out, while also taking a five borough approach, to make seats as easy to access as possible.

**Building Provider Capacity:** The majority of children served in Pre-K and 3-K programs are served in community settings—both center-based programs and Family Child Care Networks—rather than in DOE public school settings. 2-Care would lean heavily on community settings to provide care, given that this is already where toddlers are being served through formal child care programs and that DOE public school settings likely would not be an age-appropriate setting for a 2-year-old. More capacity would be needed in order to bring 2-Care to scale, but there are strategies the City can take to achieve this. Special attention should be paid to family child care programs in home-based settings, since this is already where infant and toddler care tends to happen in New York City.



# 2-Care for All: Investing in Our Future



**\$115.9 billion**

Total NYC FY26 Budget



**\$1.3 billion**

Total Cost of 2-Care

## The City should use three strategies to build capacity:

- **Convert existing child care providers:** The City should work with already licensed child care providers that are currently charging fees to families to transition to City contracts, following the successful Pre-K/3-K model.
- **Create new capacity:** New providers should be encouraged to participate in the program through targeted support like tax incentives for construction of new or retrofitted programs, and streamlined licensing processes for providers who want to start new program sites or adjust licenses for existing sites to serve younger children.
- **Invest in the workforce:** The City must ensure that reimbursement rates provide for a living wage for staff, and provide support for staff to receive proper credentials so that 2-Care is also seen as a viable career option with room for growth. This is crucial for family child care programs in particular, who are some of the lowest paid workers in the city's child care industry.<sup>10</sup>

<sup>10</sup> [https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages\\_Melodia\\_CNYCA.pdf](https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/6501f825b2dff90bf8f27a36/1694627883527/High+Calling%2C+Low+Wages_Melodia_CNYCA.pdf)

**Rollout Strategy:** Following the 3-K for All approach, 2-Care would start in targeted school districts and be expanded before being city-wide. The City has 32 school districts, and 2-Care should be phased in gradually in year 1, while quickly expanding in years 2-4 and prioritizing access in each borough quickly.

1

### Phase 1 (Year 1):

Mirroring the City's 3-K rollout, Phase 1 should first focus on high-need districts with the most families of 2-year-olds in poverty, such as the South Bronx (Melrose and Mott Haven, Highbridge and Concourse) and Central Brooklyn (Ocean Hill, Brownsville). Best practices from these initial programs in year 1 should be documented so that they can be replicated in the later stages of roll out. Year 1 should also focus on provider capacity building to scale the program in years 2-4.

2

### Phase 2 (Years 2-3):

The City should keep expanding in areas with high economic needs, while ensuring that each borough has 2-Care programming by year 2. Neighborhoods targeted for expansion in year 2 should include: Harlem, Elmhurst and Corona, Coney Island and Brighton Beach, Highbridge and Concourse, and the North Shore. Growing access across the five boroughs ensures that more families have access to care, and that more parts of the city are able to benefit from 2-Care quickly in the process.

3

### Phase 3 (Year 4+):

Universal citywide access should be available in each school district.

**The 3-K Example:** The closest parallel to expanding 2-Care is the City's rollout of 3-K for All, which started in 2017. In its first fall, the City aimed to serve over 11,000 3-year-olds, focusing first on two high-need school districts—District 7 in the South Bronx and District 23 in Brownsville—with a goal to make seats universally available in those districts within two years. The City slowly rolled out more program options to targeted school districts, largely prioritizing districts based on income level and geographic reach, until achieving near universality.

# How We Pay For It

**2-Care would combine** new City investment with Federal and State resources to create one unified program. New York City could create new city tax levy-funded seats while incorporating current state- and federal-ly-subsidized seats, which was the same approach used for Pre-K and 3-K. New York State also should contribute a share of funding for 2-Care, the way that it does for Pre-K.

- **City Tax Levy:** The City can use its own tax revenue to fund 2-Care, and took a step in the right direction in the FY26 City budget by investing \$10 million of its own funds to create new child care seats for 0-2 year olds. The City also currently invests its own funding into Pre-K and 3-K, and has steadily increased its own spending on early childhood education programming in recent years. This approach saves the city money by preventing the exodus of working families – keeping taxpayers in New York rather than losing billions annually by forcing out parents who cannot afford the steep cost of child care. **This would contribute approximately \$603 million.**

## 2-Care Funding Sources

✓ **City tax levy**

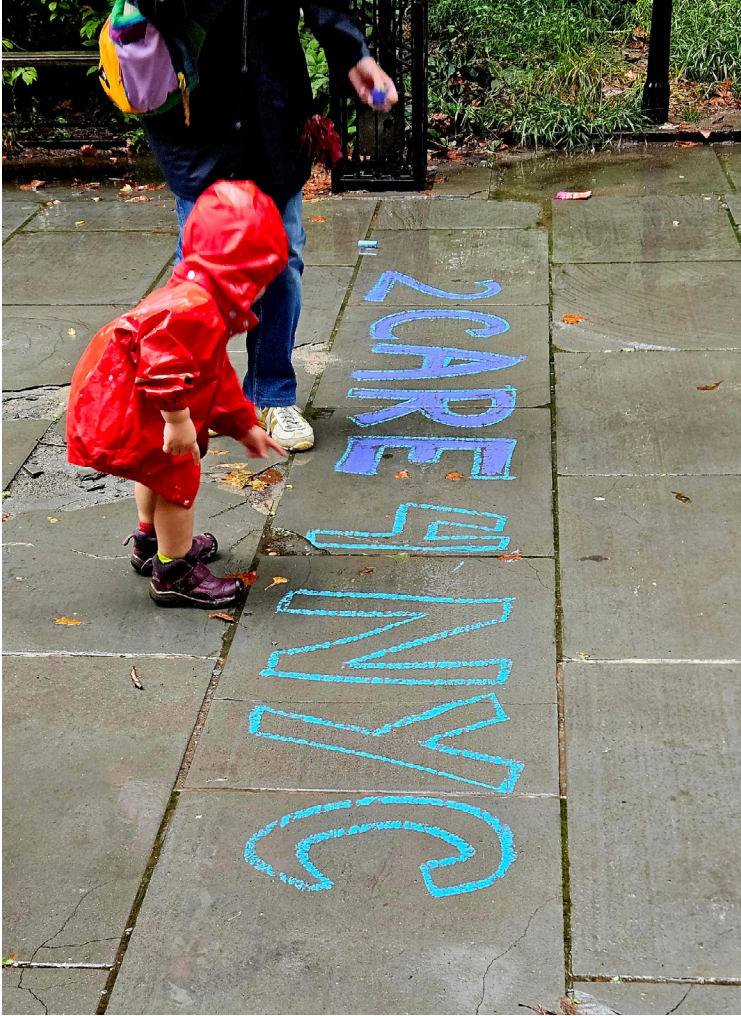
✓ **New state funding**

✓ **Maximize existing state and federal funding**



- **New State Funding:** According to the City's FY26 budget, State funding accounts for approximately 42% of the overall Pre-K and 3-K budget. New York State should contribute a similar share for 2-Care, since the State has the ability to generate revenue in ways that New York City does not. **This would contribute approximately \$542 million.**
- **Maximize Usage of State and Federally-Subsidized Seats:** NYC currently provides child care for 2 year olds through state- and federally-funded programming, including Birth to Five programs and Head Start programs. However, utilization of these subsidized seats has lagged in recent years, even though eligibility criteria have expanded, particularly with New York State's Child Care Assistance Program. Cumbersome application processes and long processing times are two likely culprits for the decrease in utilization. Targeting resources to fast-track eligibility screenings would allow NYC to maximize these funding sources and ensure that state and federal dollars do not go unspent. **This would contribute approximately \$155 million.<sup>11</sup>**

<sup>11</sup> ACS does not disaggregate child care voucher users by age, so this calculation excludes the potential use of voucher funding to serve 2 year olds.



# Next Steps

**With the \$10 million pilot as proof of concept,** 2-Care represents the logical next step toward making New York the first major American city to offer universal child care from birth. The infrastructure, political support, and economic imperatives all align to make 2026 the year to fully implement this transformative program.