



Growing Pains: Pathways into NYC's Expanding Early Childhood Education System

Prepared By:
Emma Kappes-Gossett
Alan Chen*

**Former IBO Urban Fellow*

October 2026



Table of Contents

Executive Summary.....**1**

Introduction**3**

Funding.....3

The Provider Landscape.....4

Pathways into New York City’s ECE System**8**

Pathways for On-Time Applicants.....**9**

Ranking Programs.....9

Receiving an Offer 10

Rank of Offer Received.....10

Applicants Who Received an Offer but Did Not Enroll 11

Geographic Challenges**12**

In-District Offers 13

Geographic Gaps.....14

Conclusion**17**

Glossary.....**18**

Executive Summary

In 2014, then-Mayor Bill de Blasio launched “Pre-K for All,” with the goal of making free Pre-Kindergarten options available to all four-year-olds in New York City. The program built upon existing programs across the City. In 2017, “3-K for All” followed, aiming to extend free early childhood education (ECE) options to three-year-olds. Unlike Pre-K, 3-K did not have an existing infrastructure to expand on. Because of this, the two programs have developed along unique trajectories. IBO has published previously on [the history of 3-K and Pre-K expansion](#).

Both initiatives have expanded since their start, but barriers to accessing ECE programs remain. In a previous [report](#), IBO found that between 2022 and 2024, the total number of available public 3-K and Pre-K seats had decreased while uptake rates increased. Meanwhile, New York City Public Schools (NYCPS) has not specified a target goal to achieve “universal access” for either program. Additionally, families who prefer programs run by community-based organizations must navigate a provider landscape made vulnerable by NYCPS’ procurement practices and grappling with ongoing disparities in pay and benefits (see prior [IBO testimony](#) for a discussion of challenges faced by providers). NYCPS’s inability to register contracts on time, pay providers on time, and provide rates that reflect costs has threatened not only existing 3-K and Pre-K programs, but also the City’s rollout of the new 2-K program launching September 2026.

Since taking office in January 2026, Mayor Zohran Kwame Mamdani has committed to partnering with Governor Kathy Hochul to expand ECE operating capacity within NYCPS. His administration has shared two priorities: strengthening the existing 3-K program and delivering free early care options for two-year-olds with a new 2-K program.

With these priorities in mind, the Independent Budget Office (IBO) analyzed capacity, application, and enrollment data for the 2024-2025 school year, which identified possible challenges with the current process for matching families to seats, especially for 3-K.

During the 2024-2025 school year, there were 53,000 available 3-K seats and 70,000 available Pre-K seats. IBO defines families as having sought a seat in public early care options if they:

- Applied through the NYCPS online application;
- Had their application submitted by NYCPS;
- Enrolled directly at a program.

After the application period closes, families can join the NYCPS waitlist. IBO does not receive data on these waitlists. Through these pathways, 54,000 families sought a seat in a public 3-K option, and 68,800 families sought a seat in a public Pre-K option. Ultimately, 38,300 3-K students and 57,600 Pre-K students enrolled in a program. In this report, IBO found that for **the 2024-2025 school year:**

- 80% of 3-K families and 76% of Pre-K families sought a seat in a public program using the online NYCPS application.
- While families could rank up to 12 programs in the NYCPS application, 36% of Pre-K families and 29% of 3-K families ranked only one program option.
- 64% of on-time 3-K applicants were offered a seat in their first-choice program, while 84% of on-time Pre-K applicants were offered a seat in their first-choice program.
- 35% of on-time 3-K applicants and 17% of on-time Pre-K applicants applied and received an offer but did not enroll in a program. Most of those families received an offer to their first-choice program.

The report concludes with an examination of geographic challenges. For the first geographic analysis on in-district offer rates, IBO uses NYCPS application data, which does not include students who enrolled directly at program sites. In contrast, for the second geographic analysis on zip-code level supply and demand, IBO both uses application *and* enrollment data, which includes all families who applied and those who enrolled outside of the application process.

- **In-District Preferences and Offers:** 80% of 3-K applicants and 81% of Pre-K applicants ranked a program in their zoned district for their first choice. Of those families, 91% of 3-K and 98% of Pre-K applicants received an offer to a program in their zoned district. The 3-K citywide average obscures variation across districts: among families who preferred an in-district program, 3-K in-district offer rates ranged from 65% to 99%, while Pre-K in-district offer rates ranged from 96% to 100%.
- **Zip-code Level Gaps:** In most zip codes, IBO found gaps—surpluses and shortfalls—between the demand for seats, calculated as applicants plus direct enrollees, and the supply of available seats.
 - **Surplus:** There was a surplus of 3-K seats (more seats available than demand) in 43% of NYC zip codes and a surplus of Pre-K seats in 61%. The surpluses of 3-K seats were generally larger than that of Pre-K seats, and the largest 3-K surpluses were in Lower Manhattan.
 - **Shortfall:** There was a shortfall of 3-K seats (more families seeking seats than seats available) in 54% of New York City zip codes and a shortfall of Pre-K seats in 37% of zip codes. 3-K also had larger shortfalls than Pre-K.

Introduction

Pre-K for All (Pre-K) launched in 2014, building on programs operated by New York City Public Schools (NYCPS) and the contracted early childhood system within the Administration for Children’s Services (ACS). These programs were subsequently consolidated within NYCPS. In 2017, NYCPS launched 3-K for All. Over the past five years, Pre-K has remained relatively stable across both enrollment and funding. During this same period, 3-K has undergone substantial changes: total enrollment grew from approximately 15,000 to over 38,000 students, and total program funding increased from roughly \$200 million to over \$700 million annually.

When Mayor Zohran Mamdani took office in January 2026, he [committed](#) to expanding the City’s 3-K programs to ensure universal access, although the administration has not defined how many students that would include. The 3-K expansion set for fall 2026 will include an additional 2,000 seats across roughly half of New York City’s school districts. As the City continues to expand 3-K and introduces 2-K, an early childhood program for 2-year-olds, the Independent Budget Office (IBO) first reviews funding through five recent school years—2020-2021 through 2024-2025—and then examines early childhood education (ECE) application outcomes for the 2024-2025 school year.

Funding

3-K and Pre-K differ in their respective shares of City, State, and Federal funding, as seen in Figures 1 and 2. Since the launch of Pre-K for All in 2014, Pre-K has not received any Federal funds other than previous Head Start grants. The program has instead relied mainly on City and State funding. In 2025, 59% of the funding for the City’s Pre-K budget came from New York State; the remainder was drawn from City tax levy funds.

From 2021 and 2025, the City increased its Pre-K budget every year. Across these five years, Pre-K enrollment fluctuated slightly but remained largely stable.

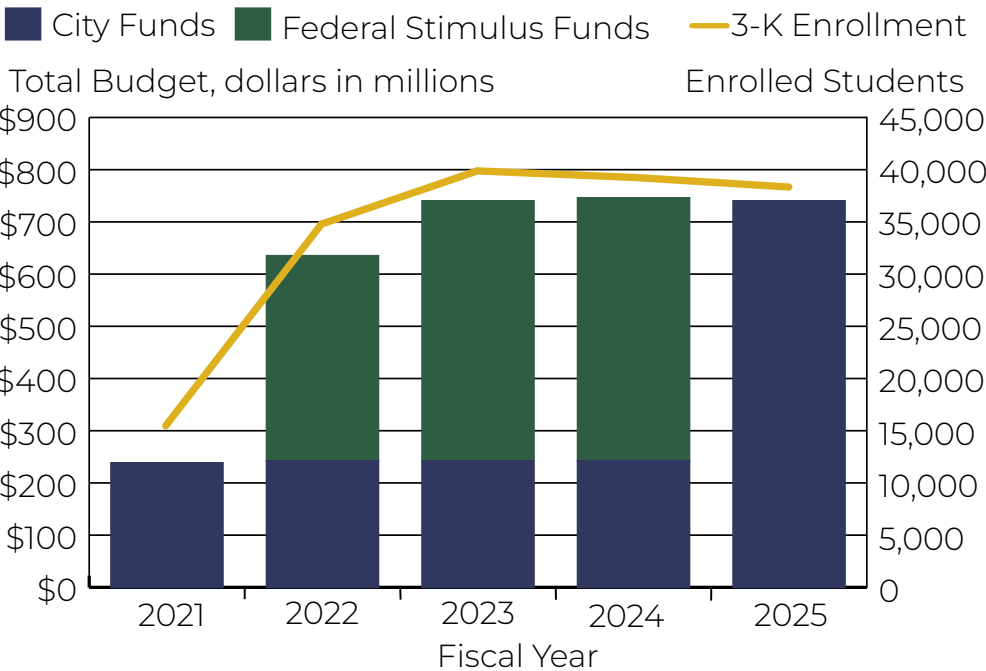
The launch and subsequent expansions of 3-K, by contrast, relied heavily on Federal funding. From 2022 through 2024, the City’s 3-K programs received a substantial boost in federal funding via time-limited COVID-19 federal stimulus funds. When federal stimulus funding expired, the City replaced these with City tax levy dollars, a transition that brought challenges examined in a [previous IBO report](#). Among these challenges, 3-K faced multiple rounds of budget reductions under the Adams administration. Though most of the initial reductions were reversed, funding uncertainty during this time may have slowed or disrupted the growth of 3-K. Prior to January 2026, 3-K had not received any State funding.

Since 2023, 3-K funding has remained relatively stable. After early growth between 2021 and 2023, 3-K enrollment has also remained largely steady, with slight declines from 2023-2025.

Beginning in 2027, New York State has committed \$235 million annually for both the City’s 3-K and Pre-K programs in addition to existing funding. For 3-K in particular, the 2027 Enacted State Budget introduced a multi-year formula for drawing down 3-K funds—the first time that New York City has secured a stable State funding stream for its 3-K programs. In January 2026, Mayor Mamdani and Governor Hochul announced that the State would use existing revenue

FIGURE 1

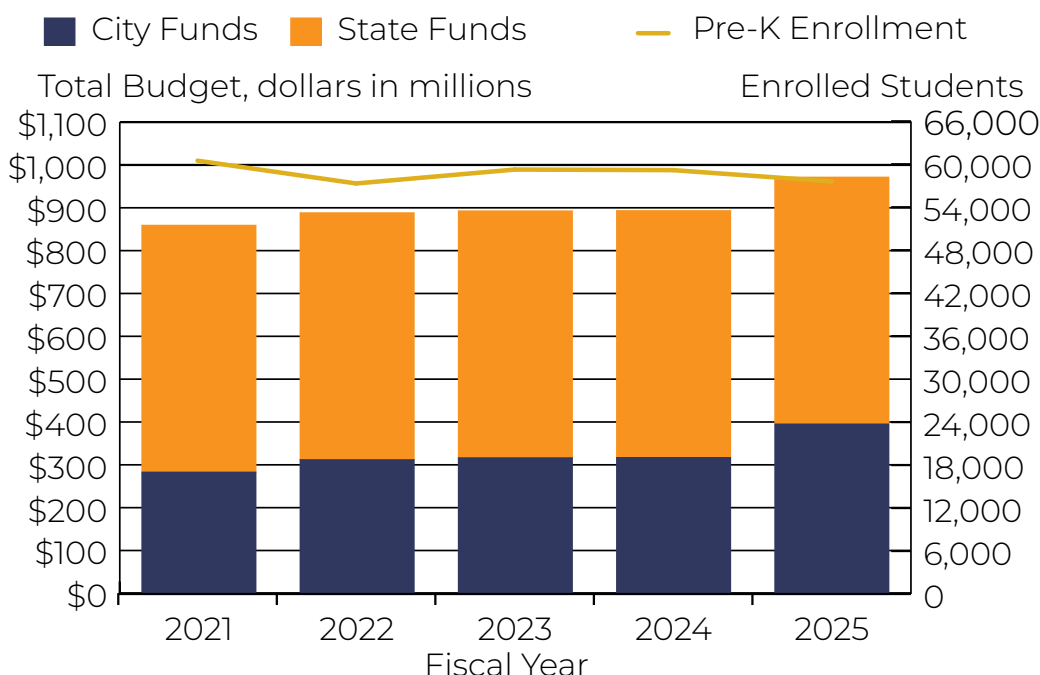
3-K Funding and Enrollment, 2021-2025



SOURCE: IBO analysis of Financial Management System and NYCPS enrollment data
New York City Independent Budget Office

FIGURE 2

Pre-K Funding and Enrollment, 2021-2025



SOURCE: IBO analysis of Financial Management System and NYCPS enrollment data
New York City Independent Budget Office

to cover the first two years of the City's forthcoming 2-K program. As discussed in [IBO's analysis of the 2027 Preliminary Budget](#), New York State will provide \$73 million to support the opening of 2,000 2-K seats in fiscal year 2027 before expanding to 12,000 seats with \$425 million in fiscal year 2028.

The Provider Landscape

There are currently 2,060 ECE programs in New York City. This report focuses on two subsets of the broader provider landscape: 760 NYCPS-operated programs and 1300 NYCPS-contracted programs. In this analysis, IBO classifies these types of programs as "public." IBO does not have data on programs throughout the City that do not contract with NYCPS. As Figure 3 lays out, NYCPS-operated programs are directly administered by NYCPS and include district schools, Pre-K centers (PKCs), and Living for the Young Family (LYFE) programs. NYCPS-contracted programs are administered by community-based organizations (CBOs) with early childhood expertise

FIGURE 3

3-K & Pre-K Program & Seat Options

Program Types

Families may choose between programs operated by NYCPS and those operated by providers who contract directly with NYCPS. Among NYCPS programs, families may select between district schools, Pre-K Centers (PKCs), and LYFE programs. Among contracted providers, families may select between NYC Early Education Centers (NYCEECs), charter schools and Family Childcare Centers (FCCs).

NYCPS-Operated Programs

District Schools (3-K and Pre-K)

Public elementary schools that offer early childhood programming for both 3-K and Pre-K students.

Pre-K Centers (PKC, 3-K and Pre-K)

Local NYCPS-operated centers that exclusively serve grades below kindergarten.

LYFE Centers (3-K Only)

LYFE (Living for the Young Family through Education) programs have 3-K seats for NYCPS high school students who are parents.

NYCPS-Contracted Programs

NYC Early Education Centers (NYCEECs, 3-K and Pre-K)

Community-Based Organizations (CBOs) with early childhood expertise that provide 3-K and Pre-K programming. CBOs often also offer early drop-off or late pick-up options for a fee.

Family Childcare Centers (FCCs, 3-K Only)

Home-based care by licensed qualified childcare providers. FCCs serve children of all ages, but only contract with NYCPS for 3-K students as well as infants and toddlers.

Charter Schools (Pre-K Only)

Charter schools contract with NYCPS to provide education programs for Pre-K students.

Seat Types

Different seat types offer varying hours of care per day and weeks of care per year. Future program expansions, including 2-K, will not include income verification and will provide universal access to full-day care 260 days per year.

School-Day Year (SDY)

These seats serve children for six hours and twenty minutes on every weekday of the school year, which typically runs from September through June.

Extended-Day Year (EDY)

These seats serve income-eligible children up to 10 hours a day, year-round. Income eligibility requires verification that can become a barrier to families and pose a burden for NYCPS and program staff.

FIGURE 3, CONTINUED

3-K & Pre-K Program & Seat Options

Program Ratio Requirements

These ratios are set for center and school-based programs by Article 43 and Article 47 of NYC Health Code and enforced by NYC Department of Health and Mental Hygiene (DOHMH, also known as NYC Health).

3-K	Pre-K
1:10 Student to staff ratio	1:12 Student to staff ratio
15 Max students per class	20 Max students per class

that contract with NYCPS. These programs include early education centers (NYCEECs), family childcare centers (FCCs), and charter schools.

During the 2024-2025 school year, NYCPS-operated programs and NYCPS-contracted programs had a combined capacity of 53,000 3-K seats and 70,000 Pre-K seats. Seat capacity is determined in part by the NYC Department of Health and Mental Hygiene and by NYCPS contracting decisions.

Figure 4 illustrates available seats by program type. During the 2024-2025 school year, contracted providers made up 75% of 3-K program options and 55% of Pre-K program options. LYFE programs served approximately 30 students that year.

Contracted providers are experiencing several challenges due to NYCPS procurement. As IBO highlighted in [January 2026 testimony](#) before the City Council, providers have routinely experienced months-long delays in both the registration of their NYCPS contracts and subsequent invoice payments. Once contracts are registered, providers may receive a fiscal advance. Programs can begin enrolling students before registration is complete, but they cannot submit invoices for payment until their contracts are registered.

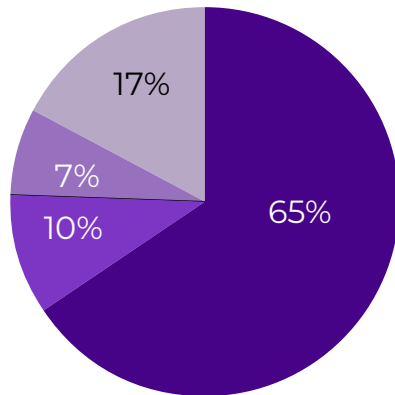
To address some of these challenges, the Mayor's 2027 Adopted Budget includes an additional 200 NYCPS staff across both central administration and program areas, including instructional coordinators, school social workers, and central staff focused on invoicing. These positions may help to strengthen NYCPS's ability to negotiate budgets, enter into contracts, pay invoices, manage payments on time, and maintain outreach with families and contracted providers. In August 2026, providers warned that procurement [challenges](#) (including payment delays) prior to the start of the school year would risk their ability to open and, even if they secured loans, would impact their long-term financial stability. Soon after, the Mayor [announced](#) reforms including deploying NYCPS staff throughout the agency to temporarily support early childhood contract registration and expediting interest-free loans.

FIGURE 4

Grade-Level Program Type Capacity

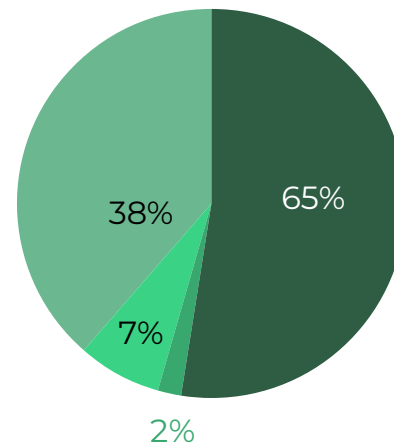
53,000 Available 3-K Seats (capacity)

NYCEECs FCCs LYFE (0.1%)
PKCs District Schools



70,000 Available Pre-K Seats (capacity)

NYCEECs Charters PKCs
District Schools



SOURCE: IBO analysis of Financial Management System and NYCPS enrollment data

New York City Independent Budget Office

Soon after, the Mayor [announced](#) reforms including deploying NYCPS staff throughout the agency to temporarily support early childhood contract registration and expediting interest-free loans.

Providers have also identified challenges to recruiting and retaining employees because of the contract rates set by NYCPS:

- Insufficient funding prevents many providers from matching the wages and benefits NYCPS gives its employees, leading to hiring gaps and attrition. In 2017 NYCPS [committed](#) to achieving pay parity for certified early childhood education teachers within contracted programs, but providers [continue to face](#) funding gaps that can cause pay disparities. The 2027 Adopted Budget included funding to increase contract rates, although the amounts may not be enough to fully close these gaps. Going forward, rates for FCCs will increase by 5% and for all other providers by 2%. Rates for Family Child Care Networks (FCCNs), which are groups that contract with many FCCs to provide programmatic and administrative support, will also increase by 2%. However, these provider rate increases are included in the delayed payments recently reported.
- While programs must hire enough staff to allow their facilities to operate at contracted capacity, NYCPS reimburses providers based on monthly audited enrollment and attendance. This actual enrollment may be lower than contracted capacity, particularly since NYCPS oversees the enrollment process and site assignments for families. Providers also face other challenges in recruiting and retaining staff, including strict requirements for education and training, poor compensation structures, and limited career growth.

Pathways into New York City's ECE System

When deciding if, when, and where to enroll their children in early care options, families may consider a wide variety of factors including their knowledge and appreciation of the operator and site; reputation of the operator and site; income eligibility requirements; if there is an option for extended or flexible care hours; distance from home and work; smaller class sizes in different program types (FCC vs. Center-Based); and culturally and linguistically responsive practices.

For families that decide to pursue a public early care option, there are multiple pathways to enroll a child in an NYCPS ECE program. IBO defines the universe of families who sought a seat as those that either:

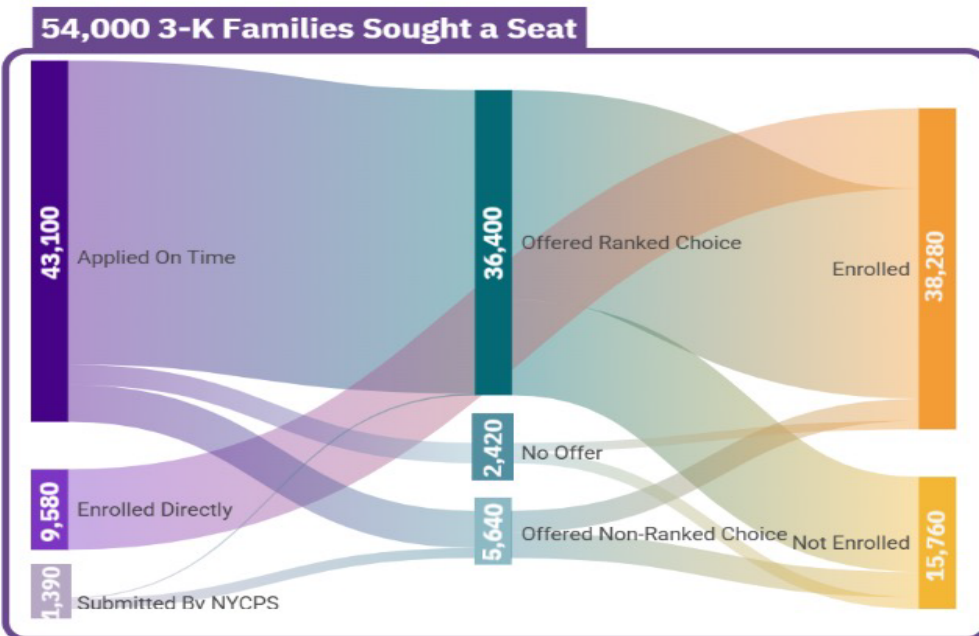
1. submitted an application through the NYCPS online system
2. enrolled in a program directly without using the NYCPS application
3. had an application submitted on their behalf by NYCPS, often families enrolled in a 3-K program and planning to stay for Pre-K.

Outside of these pathways, some families may engage in a waitlist process. After the application closes, families can add their child to the NYCPS-operated waitlist for a chance to gain admission to other programs. IBO does not have data on the waitlist process, although families in any of the three groups can join a waitlist. As a result, IBO defines families who

sought a seat by the three groups listed above, regardless of whether they used a waitlist. For the 2024-2025 school year, 54,000 3-K students and 68,800 Pre-K students sought a seat in a public ECE program.

FIGURE 5

3-K Enrollment Pathways, 2024-2025 School Year



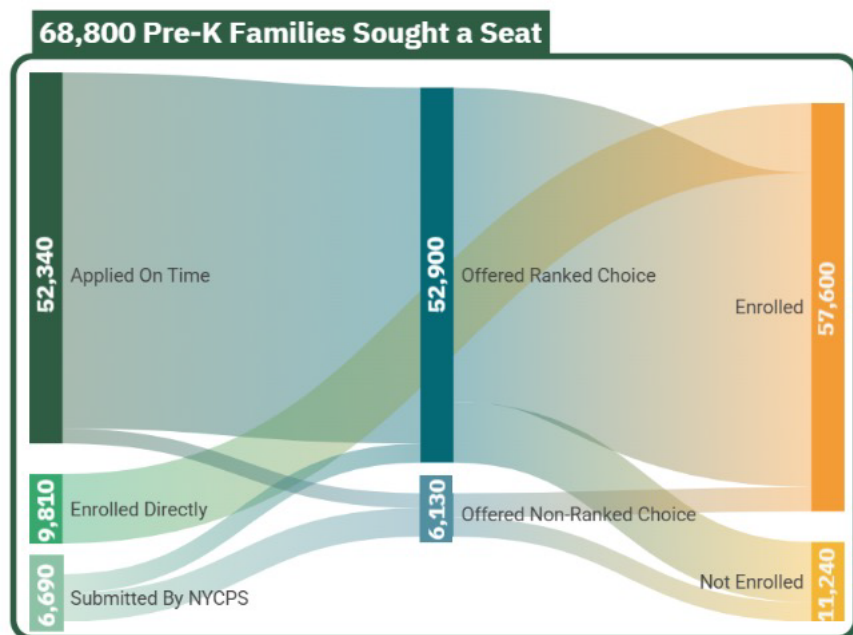
SOURCE: IBO analysis of NYCPS application and enrollment data.

New York City Independent Budget Office

Figures 5 and 6 track families from the application process for the 2024-2025 school year, through offers and enrollment decisions. The left-most side shows those who sought a seat. Moving left to right, the charts track which offer, if any, the family receives before documenting the enrollment decision.

FIGURE 6

Pre-K Enrollment Pathways, 2024-2025 School Year



SOURCE: IBO analysis of NYCPS application and enrollment data.

New York City Independent Budget Office

- **Applied On Time:** The NYCPS application opens in January and closes in February, with offers released in May. The majority of families that sought a seat did so by applying within the application window (43,100 3-K families, or 80%; 52,300 Pre-K families, or 76%).

- Most 3-K and Pre-K applicants received an offer to a program they had ranked: 84% of 3-K applicants and 96% of Pre-K applicants.

- **Enrolled Directly:** 9,600 3-K families (18% of those who sought a seat) and 9,800 Pre-K families (17%) enrolled directly in a NYCPS managed program without submitting

an NYCPS application. Some of these families may have participated in the waitlist process. These 9,600 3-K families represented 25% of families who ultimately enrolled that fall.

- **Submitted by NYCPS:** NYCPS submitted an application on behalf of 1,400 3-K families (3% of those who sought a seat) and 6,700 Pre-K families (10%). NYCPS may do so if a family has begun and completed but not submitted an application, or if a family is currently enrolled in a 3-K program and has not applied for Pre-K.

Because IBO does not have complete application data for families who enrolled directly, enrolled through the waitlist, or had applications submitted on their behalf by NYCPS, the next section of this report focuses only on families who submitted an application on time through the NYCPS application portal. IBO refers to these families as applicants.

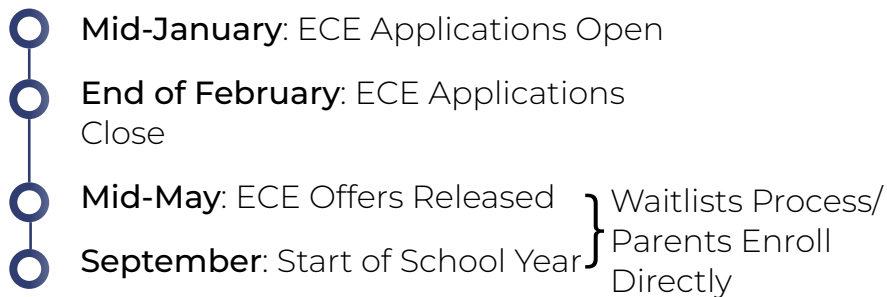
Pathway for On-Time Applicants

Ranking Programs

IBO analyzed the program selections of families that submitted an NYCPS application on time. For the 2024-2025 school year, families could rank up to 12 program options (in later years, families could rank an unlimited number of programs). That year, 29% of 3-K and 36% of Pre-K applicants selected only one program option. This may be related to a lack of options available in a family's desired location, seat type, or provider type, or because families are

FIGURE 7

NYC'S 3-K & Pre-K Application Process



The Application Process

In their application, families can rank up to 12 programs and are offered one program. In future application cycles, families will be able to rank an unlimited number of programs.

Eligibility

Eligibility for public 3-K and Pre-K is based on age and residency. A 3-K student must be three years old in the calendar year of enrollment, and Pre-K students must be four years old. All students must reside in one of the 32 New York City school districts.

Priority Categories

1. Currently enrolled student;
2. Sibling of a currently enrolled student;
3. Families receiving services from the CBO running the program;
4. Students who reside in the district of the program and/or zoned for the area in which the program is located.

already familiar with and trust their neighborhood provider, including one that has served them in the past. If families select only one program, NYCPS's ability to match families to programs in high-demand areas may be limited.

Receiving an Offer

NYCPS's matching process gave Pre-K applicants more first-choice offers than 3-K applicants. Results also varied depending on the type of program families selected. Figure 9 shows whether families received an offer for the specific program type they ranked first.

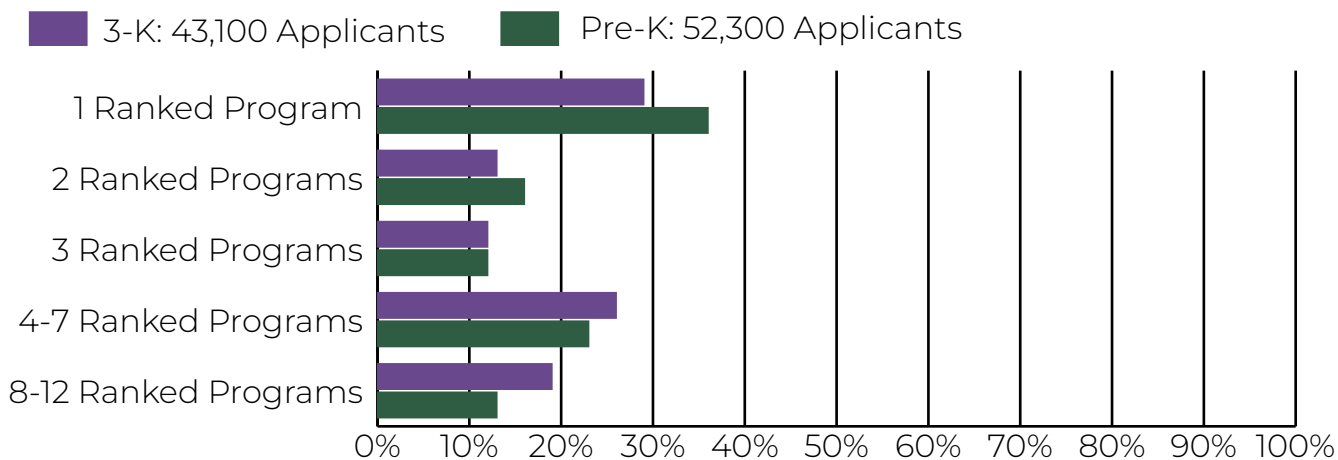
3-K families saw the lowest match rates to FCCs (61%) and to district schools (64%). In contrast, their match rates were highest at NYCEECs (88%) and LYFE programs (91%), though LYFE programs served only 30 students during this school year. Pre-K families saw the lowest match rates to district schools (88%), and the highest match rates at NYCEECs and PKCs (95%).

Rank of Offer Received

NYCPS matched 84% of Pre-K applicants (43,900 out of 52,300 applicants) to their top-choice program for enrollment in the 2024-2025 school year. In contrast, 64% (27,500) of 3-K applicants received their top-choice program. Figure 10 depicts the total distribution of offers, based on where families had ranked the program they were offered. While NYCPS guaranteed an offer to all Pre-K applicants, 6% of 3-K applicants did not receive an offer. Furthermore, 4% of Pre-K families received an offer to a program that they had not ranked, in comparison to 10% of 3-K families.

FIGURE 8

How Many Programs Did Applicants Rank?



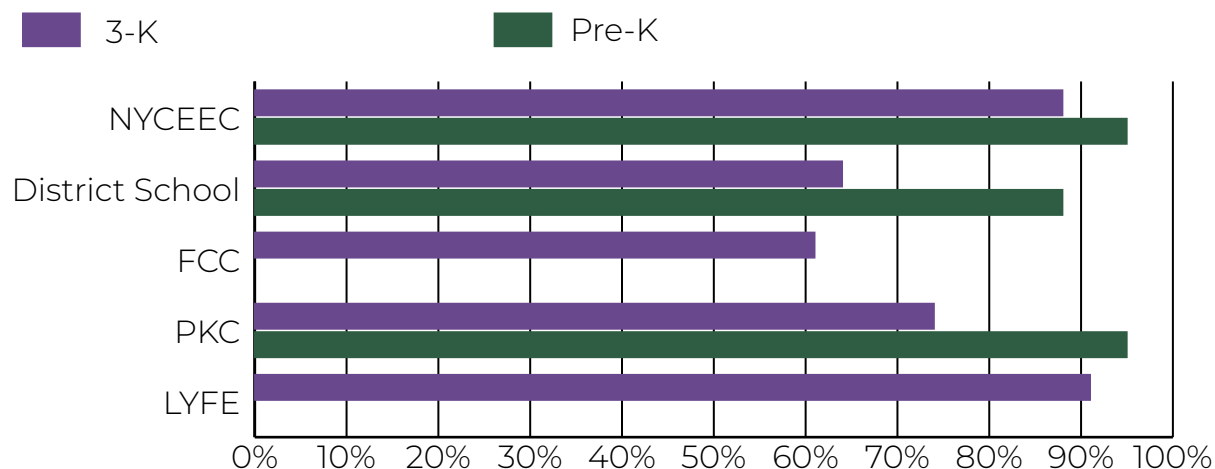
SOURCE: IBO analysis of NYCPS application data

NOTE: This chart excludes 65 students whose program selections were deemed not valid by NYCPS after submission, sometimes due to a program closure.

New York City Independent Budget Office

FIGURE 9

Were Applicants Offered Their First Choice in Program Type?



SOURCE: IBO analysis of NYCPS application data

NOTE: This chart excludes 65 students whose program selections were deemed not valid by NYCPS after submission, sometimes due to a program closure.

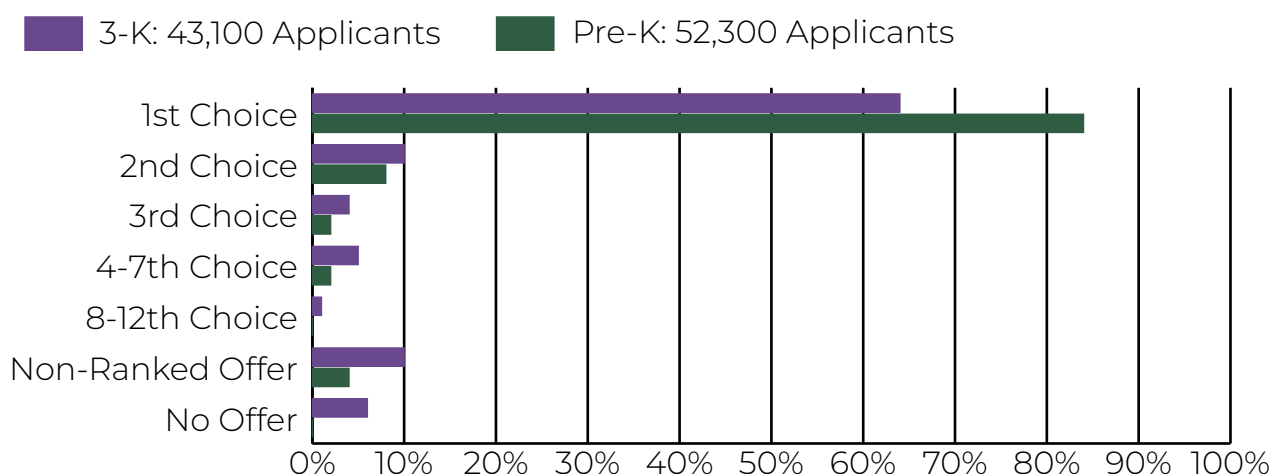
New York City Independent Budget Office

Applicants Who Received an Offer but Did Not Enroll

A substantial number of families submitted applications on-time and received offers but ultimately did not enroll. For the 2024-2025 school year, 35% of 3-K applicants (15,100) and 17% of Pre-K applicants (8,700) who were offered seats did not enroll in any program. Figure 11 separates applicants from each grade into two groups: those who enrolled and

FIGURE 10

How Did Offers Reflect the Ranked Choices of Applicants?



SOURCE: IBO analysis of NYCPS application data

NOTE: This chart excludes 65 students whose program selections were deemed not valid by NYCPS after submission, sometimes due to a program closure.

New York City Independent Budget Office

those who did not.

For each group, the figure shows the share of students who were offered a seat in any program at all, a seat in any program that they had ranked, and in their first-choice program. Of the families who did not enroll that fall, 53% of the 3-K applicants and 74% of the Pre-K applicants had been offered a seat in their first-choice program.

Geographic Challenges

In [City Council hearings](#), NYCPS, providers, and families have cited geographic challenges related to the number and location of seats as a significant barrier to a fully enrolled early childhood system. Some families have expressed concern that the programs they were

FIGURE 11

Rank of Programs Offered by Enrollment Decisions and Grade Level

Grade and Enrollment Decision	Offered Any Program	Offered Any Ranked Choice	Offered First Choice
3-K Did Enroll (28,010 students)	96%	89%	70%
3-K Did Not Enroll (15,070 students)	91%	75%	53%
Pre-K Did Enroll (43,680 students)	100%	97%	86%
Pre-K Did Not Enroll (8,660 students)	100%	91%	74%

SOURCE: IBO analysis of NYCPS application and enrollment data

New York City Independent Budget Office

offered were far from their homes, and they would be required to travel across boroughs and districts to access care. While students in Kindergarten through second grade receive bus transportation if enrolled in a school located further than 0.5 miles from their homes, NYCPS does not provide bus transportation to 3-K or Pre-K students unless mandated as a special education service. If 3-K and Pre-K families enroll far from home, they must arrange their own transportation. Additionally, families may prefer programs close to caretaker work sites.

This section includes two geographic analyses:

1. IBO examined variations of in-district offers to determine how often students receive offers to ECE programs in their zoned district, which is based on residence. IBO focused on families who showed a preference for an in-district offer, based on the location of their first-choice program. This analysis includes only students who submitted applications and not students who enrolled directly as those students do not appear in application data. Using school districts allows IBO to analyze at the same level at which NYCPS conducts their seat allocation planning.
2. IBO presents a zip-code analysis, measuring geographic gaps by comparing the supply and demand of seats. These terms are defined in this report's glossary. This analysis includes all families who applied and those who enrolled outside of the application process. Using zip codes allows for a more granular view of where families are seeking seats and allows for the inclusion of families in non-zoned districts. However, the granularity may obscure when families are able to easily access programs across zip codes, because families may live near a zip code boundary or prefer a program in a neighboring zip code. (IBO recognizes that zip codes are also somewhat arbitrary geographic areas, but they can still provide more detail than a larger area such as a school district.)

In-District Offers

In New York City, there are 32 school districts spread across the five boroughs. Students are zoned for a district based on where they live and receive preference for programs within that district when applying to 3-K and Pre-K programs. IBO explored family preferences for in-district offers, as well as in-district offer rates for those families.

Nearly 80% of 3-K applicants ranked a program in their zoned district as their first choice (34,300 of 43,100). Of those families who ranked first a program within their zone, 91% received an in-district offer (31,300 of 34,300). Only nine districts had in-district offer rates below 90%. Figure 12 identifies the five districts with the lowest in-district offer rates for these families.

Pre-K applicants ranked a program within their zoned district as their first choice at similar rates to 3-K applicants (81% of Pre-K applicants, or 42,200 of 52,300). Of those whose first-ranked program was in their zone, 98% received an offer in-district (41,600 of 42,200). All districts saw in-district offer rates of 95% or above. (To see in-district offer rates across all 32 districts for 3-K and Pre-K, refer to the [Appendix](#).)

These findings indicate that most Pre-K families who preferred in-district offers received

FIGURE 12

School Districts with Lowest 3-K In-District Offer Rates

School District	3-K Applicants who Preferred and Received In-District Offer	In-District Offers for 3-K Applicants Who Preferred In-District Program	3-K Applicants Who Preferred In-District Program
2	65%	1,290	1,980
3	67%	570	850
13	76%	630	830
15	82%	1,060	1,300
8	84%	750	890

SOURCE: IBO analysis of NYCPS application data

NOTE: This excludes applicants who are in zone E0, which includes Districts 1, 7, and 23; students are not assigned to any “zoned” schools within these districts. All numbers have been rounded to the nearest ten.

New York City Independent Budget Office

them, while in-district offer rates for 3-K were far below the citywide average in some districts. All nine districts with in-district offer rates below 90% for 3-K will receive additional seats as part of Mayor Mamdani’s planned 3-K expansion in the fall of 2026.

Geographic Gaps

IBO assessed geographic challenges using two geographic boundaries: school districts and zip codes. IBO analyzed in-district offers at the school district-level because NYCPS prioritizes assignment of families to programs that are located in the school district where they live. However, school districts are administrative boundaries that may not align with family preferences. For example, a family living on the edge of one district may prefer an out-of-district program because it is closer to their home than a program located in their zoned district. Therefore, IBO analyzed geographic gaps at the more granular zip code level. The maps show to what extent each zip code experienced a surplus or shortfall, but Figure 13 includes the demand and capacity as well as the range in seat supply across zip codes.

On average, each zip code had a demand of 290 families seeking 3-K seats and 350 families seeking Pre-K seats who applied on time or enrolled directly at a program. As Figure 13 illustrates, capacity within zip codes varied widely.

IBO’s zip-code level analysis found varying rates of surplus and shortfall across individual zip codes. In Figures 14 and 15, IBO mapped each zip code’s gap rates for 3-K and Pre-K, respectively. Using the same interval boundaries for both 3-K and Pre-K, IBO grouped zip codes into five categories based on the size of their relative surplus or shortfall. The following analysis compares the variation in shortfalls and surpluses at the zip-code level between 3-K and Pre-K.

FIGURE 13

Capacity and Demand within Zip Codes

	Average Demand (Families)	Average Supply (Seats)	Supply Minimum (Seats)	Supply Maximum (Seats)
3-K	290	290	0	1,070
Pre-K	350	390	20	1,140

SOURCE: IBO analysis of NYCPS application and capacity data

NOTE: All numbers have been rounded to the nearest ten.

New York City Independent Budget Office

In the 2024-2025 school year, 43% of zip codes had a surplus of 3-K seats, compared with 61% for Pre-K seats. Meanwhile, 54% of zip codes had a shortfall in 3-K seats, compared with 37% for Pre-K seats. Figures 14 and 15 illustrate the range by zip code across the City.

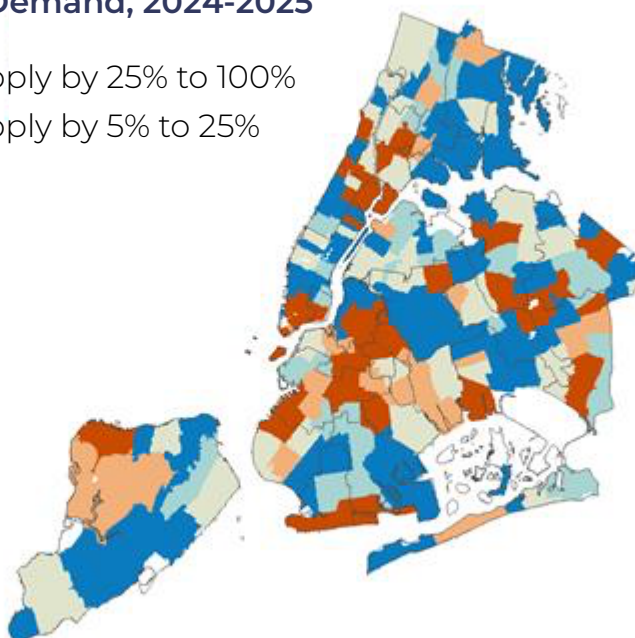
Key takeaways include:

- **Surplus of seats:** 3-K had larger surpluses than Pre-K. The largest 3-K surpluses were in Lower Manhattan: zip code 10004, which includes part of the Financial District, and zip code 10012 in SoHo. In these districts, supply exceeds demand by 1,090% and 680%, respectively. Pre-K had smaller surpluses than 3-K: the largest Pre-K surplus was in zip code 10002 in the Lower East Side, where supply exceeded demand by 160%.

FIGURE 14

Gaps between 3-K Supply and Demand, 2024-2025

- Deficit: Demand exceeds supply by 25% to 100%
- Deficit: Demand exceeds supply by 5% to 25%
- Smallest or No Gap: Supply is within 5% of demand
- Surplus: Supply exceeds demand by 5% to 25%.
- Surplus: Supply exceeds demand by 25% to 100+%

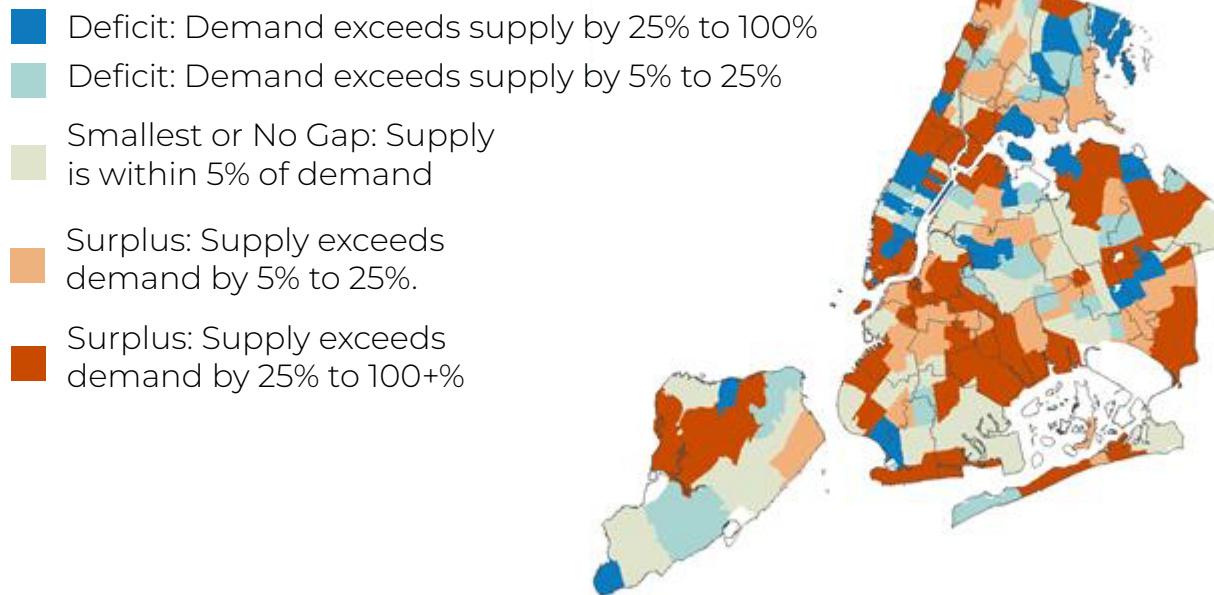


SOURCE: IBO analysis of NYCPS application and capacity data

New York City Independent Budget Office

FIGURE 15

Gaps between Pre-K Supply and Demand, 2024-2025



SOURCE: IBO analysis of NYCPS application and capacity data

New York City Independent Budget Office

- **Shortfall in seats:** In zip codes 10075 on the Upper East Side, 10282 in Battery Park, and 10464, which covers City Island and parts of the Bronx, had shortfalls in 3-K by 100%, as there were no 3-K seats available. In zip code 11109 in Long Island City, demand for 3-K seats exceeded supply by 86%. Pre-K had slightly smaller shortfalls: in zip code 10005 in the Financial District, the largest shortfall, demand exceeded supply by 71%.
- **No Demand:** For both 3-K and Pre-K, zip code 10278, covering a small area near City Hall, had no demand from applicants or families that enrolled directly. While 10278 was the only zip code that saw no demand for Pre-K, zip codes 10115 in Morningside Heights (Manhattan) and 11001 in Floral Park (Queens) also had 3-K families who applied or directly enrolled. Both zip codes cover relatively small areas.
- **Areas of Concentration:** As Figure 15 demonstrates, 3-K saw surplus hotspots across multiple zip codes in Central Queens, Southeast Brooklyn, and the South Bronx. 3-K also saw shortfall hotspots in the East Bronx, Central Manhattan, and South Brooklyn. While Pre-K saw some surplus and shortfall hotspots, a comparison of Figures 14 and 15 indicates that 3-K had larger gaps and geographic clusters of surpluses or shortfalls.

These patterns suggest that the geographic distribution of Pre-K seats, both across the City and within zip codes, is more closely aligned with demand than the distribution of 3-K seats. At the same time, the fact that some neighboring zip codes form clusters of surpluses and shortfalls may reflect that families in some zip codes prefer childcare options in neighboring zip codes instead of their own. Indeed, while a zip-code level analysis enables a more precise review of local gaps between seat supply and demand, such analysis involves boundaries that may not factor into family decision-making and therefore NYCPS placement of seats.

Conclusion

The Mamdani administration has taken steps to address some of the challenges facing ECE programs through new tools, including an interactive map of available program sites for families. NYCPS has also administered a parent survey to collect feedback on parent preferences. Going forward, NYCPS has committed to offering a seat to all 3-K applicants, expanding 3-K in areas of unmet demand, and launching a 2-K program in fall 2026.

This report sheds light on issues relevant to the expansion and allocation of seats across the City. IBO examined NYCPS's ECE application, enrollment, and capacity data from the 2024-2025 school year. IBO found meaningful differences between 3-K and Pre-K application outcomes, with fewer offers to first-choice programs, a higher share of families receiving no offers, and lower rates of in-district offers within several districts. IBO also found that some families only ranked one program on their application despite being able to rank up to 12, and that 35% of 3-K applicants who were offered seats did not enroll, even when over half of those applicants were offered a seat in their top-choice program.

IBO found that while families received preference for programs in their district, 3-K in-district offers varied across the City. Citywide, there were gaps between seat supply and demand. IBO found that across the City, certain zip codes had surpluses while others had shortfalls: a larger share of zip codes had a shortfall of 3-K seats (54%), while a larger share of zip codes had a surplus of Pre-K seats (61%).

Glossary

Families/Families and Caregivers: Throughout this publication, IBO uses the term family to refer to the wide range of caregiver types within New York City, including parents, grandparents, and other caregivers.

Sought a seat: IBO defines the universe of families who sought a seat as those that either: 1.) submitted an application through the NYCPS online system; 2.) had an application submitted on their behalf by NYCPS, often families who are already enrolled in a program that has open spots in the year above; or 3.) enrolled in a program directly without using the NYCPS application. Outside of these pathways, some families may engage in a waitlist process. For the 2024-2025 school year, 68,800 Pre-K students and 54,000 3-K students sought a seat in a public ECE program.

Supply: In this report, IBO defines supply as the total number of seats available across NYCPS-operated programs and contracted ECE programs. For the 2024-2025 school year, Pre-K supply totaled 70,000 seats, and 3-K supply totaled 53,000 seats. While these counts represent the total number of seats by the end of the fiscal year and include the number of slots in the contract, they may not capture the actual number of students that programs can serve. For example, while programs hire a certain number of staff, many programs lose staff throughout the year, which reduces their capacity (see IBO's prior testimony for additional details on challenges faced by providers).

Demand: Demand could be measured by the total number of applicants, students on waitlists, students who directly enrolled in programs, or some combination of these measures. In this report, IBO defines demand as the sum of applications submitted to NYCPS plus the total number of students who enrolled in a program without submitting an application. IBO excludes students who had their applications submitted by NYCPS on their behalf. Without NYCPS data on waitlists or applicants who attempted to enroll directly in a program but did not ultimately enroll, this proxy most likely produces an undercount of demand.

Gaps: Gaps demonstrate the difference between program supply and demand. To map geographic gaps on a zip-code level, IBO subtracted demand (the total number of families who applied or directly enrolled at a site) from supply (the total number of seats available in that zip code) and then divided that difference by demand. These rates capture the gap between supply and demand for each zip code while accounting for the size of each zip code. Gaps in either direction could pose programmatic challenges for the ECE system. A surplus in seats represents under-utilization of program resources, which may leave providers whose enrollment determines reimbursement with insufficient revenue to meet program expenses. A shortfall, on the other hand, signals a shortage in seats for families seeking early care options.



IBO's mission is to enhance understanding of New York City's budget, public policy, and economy through independent analysis.

Prepared by:

Emma Kappes-Gossett
Alan Chen*

Supervised by:

Julia Konrad
Sarita Subramanian

Produced by:

Tara V. Swanson

Other Contributors:

Michael Reid, Jr.
Jan Mandez
Hannah Leverenz

**Former IBO Urban Fellow*

Photo: [Pexels/RDNE Stock project](#)



info@ibo.nyc.gov



www.ibo.nyc.gov

Follow IBO
@nycibo

