NEW YORK CITY COMPTROLLER
MARK LEVINE

New York by the Numbers

Monthly Economic and Fiscal Outlook

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Contents

A Message from the Comptroller 4

The U.S. Economy 7

New York City Economy..8

Payroll Employment Trends...8

Labor Market Indicators 9

Inflation...11

Consumer & Business Confidence 11

Residential & Commercial Real Estate 12

Congestion Pricing: One Year Later...14

Tourism 14

Homelessness & Asylum Seekers..15

City Finances..17

Winter Bonus Season 17

New York State of the State..18

Conforming with or Decoupling from OBBBA?...19

Federal Update..20

New York City's Cash Balances 21

A Message from the Comptroller

Dear New Yorkers,

This is the first newsletter of the new year—and the first of my administration. I want to take this opportunity to introduce myself to those who may not yet know me, and to reconnect with the many New Yorkers I have had the privilege to work with over the years.

For the past 25 years, I have worked to make New York City more affordable, equitable, and healthy. I began my career as a bilingual math and science teacher in the South Bronx, where I saw firsthand how disinvestment—and the lack of access to basic financial tools like credit and banking—can hold communities back. That experience led me to found a community credit union in Upper Manhattan, which has since provided more than $100 million in small loans with a 98 percent repayment rate. For many families and small businesses, this meant access to capital for the first time—helping neighbors start a first business, buy a first home, or purchase a first computer.

In 2013, I was elected by my Washington Heights community to the New York City Council, where I served as Chair of the Committee on Parks and later as Chair of the Committee on Health. In that role, I brought a data-driven, science-based approach to protecting New Yorkers during the COVID-19 pandemic. I was elected Manhattan Borough President in 2021, and made the creation of badly needed housing a central focus of my administration. Across Manhattan, we identified 171 sites with the potential to deliver more than 71,000 new homes, and over the past two years, progress has been made on roughly 20 percent of those sites.

It is with this experience that I write to you today as New York City Comptroller—and it is with the same data-driven, equity-focused approach that I will chart the city's fiscal and economic future. This is a new era in New York City, one with enormous opportunities ahead. Since the worst of the COVID-19 pandemic, our city has roared back in countless ways and reasserted itself as a global cultural and economic powerhouse.

However, amid the prosperity and promise, far too many New Yorkers continue to struggle. The city faces an unprecedented affordability crisis that is keeping housing beyond the reach of far too many. Young people are struggling to break into the job market. Our homelessness crisis, as the data in this newsletter indicates, has reached painful heights, fueled in part by a broken mental health system.

The Office of the New York City Comptroller is critical to the fiscal and economic health of the city, and at challenging moments like this, it plays a truly significant role in finding sensible solutions to the city's financial obstacles while also providing accountability to every agency of City government.

This is no small task. But from investing pension funds to finance the creation of affordable housing to utilizing our oversight tools to ensure City government works more efficiently, I firmly believe this Office is vital to the goal of building a fairer, safer, and more affordable New York City for all.

I look forward to working every day, as your comptroller, to make that a reality.

Sincerely,

Mark Levine

Highlights

- U.S. private-sector employment expanded at a sluggish pace in November and December. Excluding Government and Health & Social Services, employment has been declining gradually since last April. After climbing to a 4-year high of 4.5% in November, U.S. unemployment edged down to 4.4% in December.
- Similarly, private-sector job creation in NYC has been subdued and has been limited to the Health Care sector. The city's unemployment rate has drifted up, but only due to increased labor force participation. In November (latest month available), the employment-population ratio hit a record high of 59.0%.
- Data on both initial weekly jobless claims and continuing claims, which are available through year end, suggest that layoffs remain subdued.
- Consumer confidence fell nationwide for the fifth straight month in December; in New York State, confidence retreated from its highest level of the year, but it remained above the U.S. average.
- Regional business sentiment has languished, as indicated by the New York Fed's December surveys of both manufacturers and service firms.
- While the nationwide office market has struggled to recover, New York City's market has continued its steady and fairly robust rebound.
- Tourism in New York City has shown continued resilience in recent weeks, even as it has sputtered across other parts of the U.S.
- Early PIT withholding data suggests that New York City's winter bonuses are 9.3% higher than last year, for the same period, though most bonuses are typically paid later in the season and estimates may change. This growth is broadly consistent with the Comptroller's most recent forecast of rising Wall Street bonuses.
- In her January 13th State of the State address, Governor Hochul previewed priorities for the State FY 2027 Executive Budget, including a major expansion of child-care initiatives previously announced with Mayor Mamdani.
- The Trump Administration announced a freeze of approximately $10 billion in social services and child care funding across five Democratic-led states, including New York; a federal judge has since issued a temporary restraining order preventing the freeze from taking effect.

The U.S. Economy

- Private-sector employment has grown at an anemic pace in recent months. December's job gain was just 37K, and the gain over the prior two months was revised down. Moreover, the only sector with any meaningful job creation has been Health Care & Social Assistance. Excluding that sector, private sector employment has declined in 7 of the last 8 months and is down by almost 150K since April. The unemployment rate edged down to 4.4% in December, after reaching a five-year high of 4.5% in November.
- Despite paltry job creation, weekly jobless claims have remained at a subdued level, while continuing claims—people remaining on the unemployment rolls—are at a somewhat elevated level, though off their 4-year high set in the summer.
- Inflation held steady in December, with the overall CPI rising 0.3% and the core CPI (excluding food & energy) rising 0.2%. Over the 12 months ending in December, these measures were up 2.7% and 2.6%, respectively—the same as in November.
- Business surveys continue to point to a sluggish economy. The Institute for Supply Management (ISM) December survey of manufacturers points to ongoing, albeit modest, contraction, while its service-sector survey points to modest growth in activity. Surveys from the various Federal Reserve Banks also signaled little or no growth.
- Consumers have remained discouraged about the U.S. economy. Both the Conference Board's and University of Michigan's monthly consumer surveys show confidence ending 2025 at levels typically associated with recession.
- Despite the broad weakness in the economy, stock markets have remained at lofty levels into early 2026.

New York City Economy

Payroll Employment Trends

- Payroll employment growth was relatively flat in November 2025—with the private-sector adding 4,700 jobs over the month—continuing a pattern of low job growth over the past three months, as shown in Table 1 below.
- High wage sectors, and those occupying much of the office space in NYC, such as Financial Activities, Professional and Business Services, and Information have seen either very little growth or declines in payroll.
- Health Care and Social Assistance is once again driving payroll growth in NYC, adding 71,000 jobs over the year and more than 19,000 jobs over the past three months.

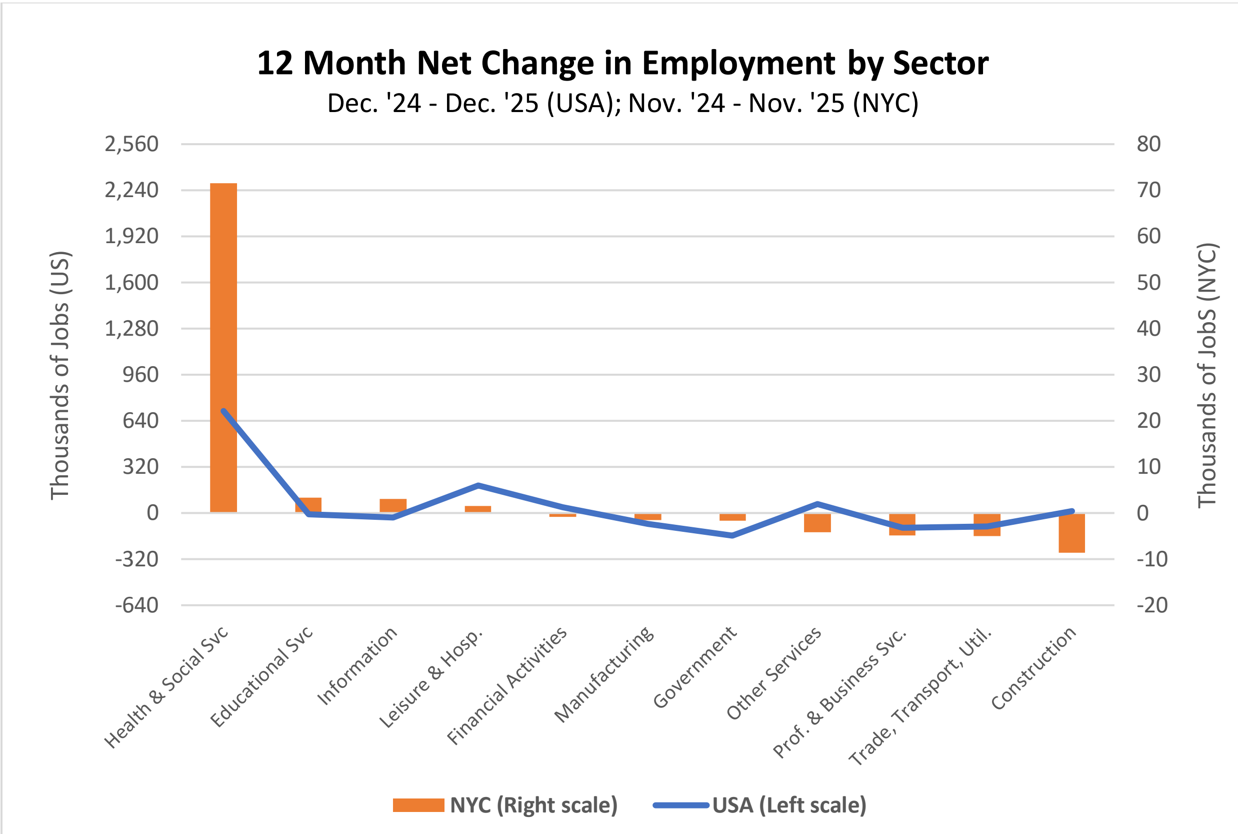
Table 1. Seasonally Adjusted NYC Employment, by Industry

(1,000s)	Seasonally Adjusted NYC Employment					November 2025 Change over		
Industry:	**Nov '24**	**Aug. '25**	**Sept '25**	**Oct. '25**	**Nov'25**	**12 Months**	**3 Months**	**1 Month**
Total Non-farm	4,806.2	4,891.7	4,865.0	4,860.5	4,858.6	52.4	(33.1)	(1.9)
Total Private	4,212.5	4,260.3	4,260.3	4,261.5	4,266.2	53.7	5.9	4.7
Government	593.8	631.4	604.7	599.0	592.4	(1.3)	(39.0)	(6.6)
Financial Activities	506.2	506.5	506.0	504.1	505.3	(1.0)	(1.3)	1.2
Securities	200.2	197.6	197.6	196.9	197.0	(3.2)	(0.6)	0.1
Information	225.4	233.6	226.7	228.7	228.5	3.1	(5.1)	(0.2)
Prof. and Bus. Serv.	804.2	794.8	800.8	798.6	799.1	(5.1)	4.3	0.5
Educational Services	255.2	254.2	255.1	258.3	258.3	3.1	4.1	0.0
Health & Soc. Assist.	1,022.6	1,074.3	1,082.9	1,089.6	1,093.6	71.0	19.3	4.0
Leisure and Hospitality	444.4	446.5	446.0	442.6	445.9	1.5	(0.7)	3.3
Arts, Ent., and Rec.	86.9	86.8	87.2	86.9	88.0	1.1	1.3	1.1
Accomm. & Food Svc.	357.5	359.7	358.8	355.6	357.8	0.4	(1.9)	2.2
Retail Trade	295.7	295.6	293.2	292.5	290.2	(5.6)	(5.5)	(2.3)
Wholesale Trade	131.9	130.0	130.4	129.3	128.1	(3.8)	(1.9)	(1.3)
Trans. & Warehousing	135.7	139.2	139.5	138.2	140.3	4.6	1.1	2.1
Construction	141.0	136.0	133.2	133.7	132.5	(8.5)	(3.5)	(1.2)
Manufacturing	54.6	54.1	54.2	53.5	53.1	(1.5)	(1.0)	(0.4)

Sources: NY Department of Labor; NYC Office of Management and Budget; Office of the New York City Comptroller

- As shown in Chart 1, both locally and nationwide, the only sector generating any significant job creation over the past 12 months is Health Care & Social Assistance. At the other end of the spectrum, Construction saw the steepest job loss locally despite a slight job gain nationally.

Chart 1



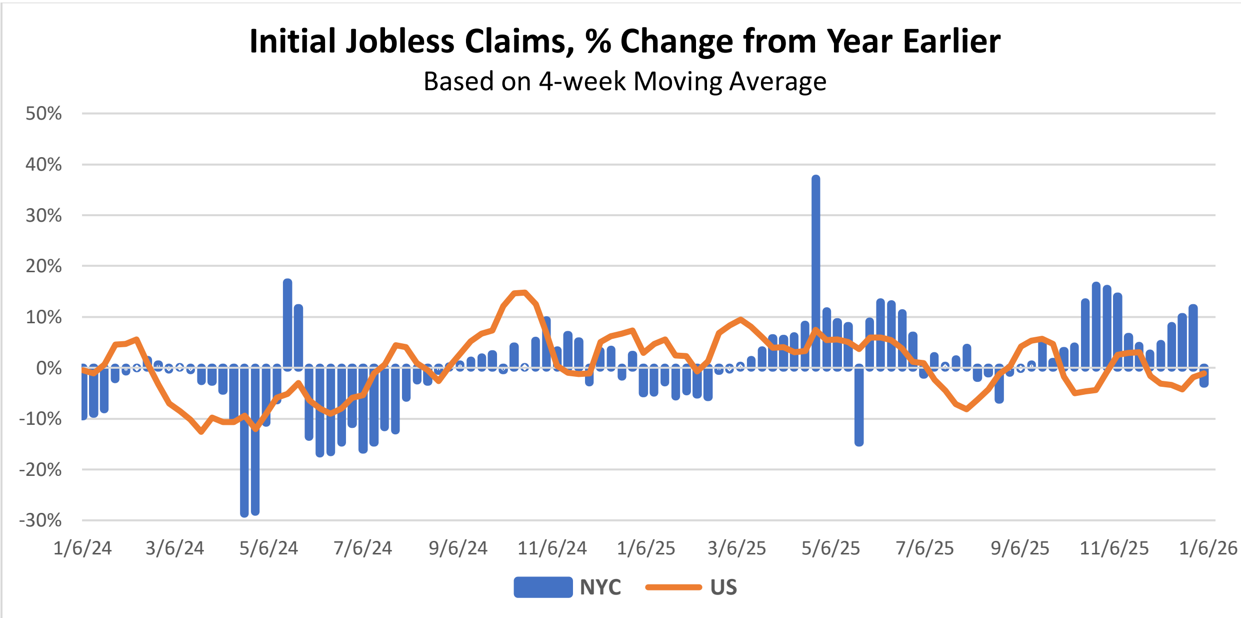
Sources: NYC Office of Management & Budget; U.S. Bureau of Labor Statistics; NY Department of Labor

Note: Scales are roughly proportional to the relative job count in each geography (i.e. NYC accounts for roughly 1/32 of US employment). Based on not seasonally adjusted data; NYC data are for November because December numbers are not yet available.

Labor Market Indicators

- Weekly initial jobless claims in New York City have remained low, running roughly on par with a year earlier, as shown in Chart 2 below. Similarly, the level of continuing claims has drifted up but also remains subdued.
- The latest round of initial claims in New York City came disproportionately from Transportation & Warehousing and Construction sectors.

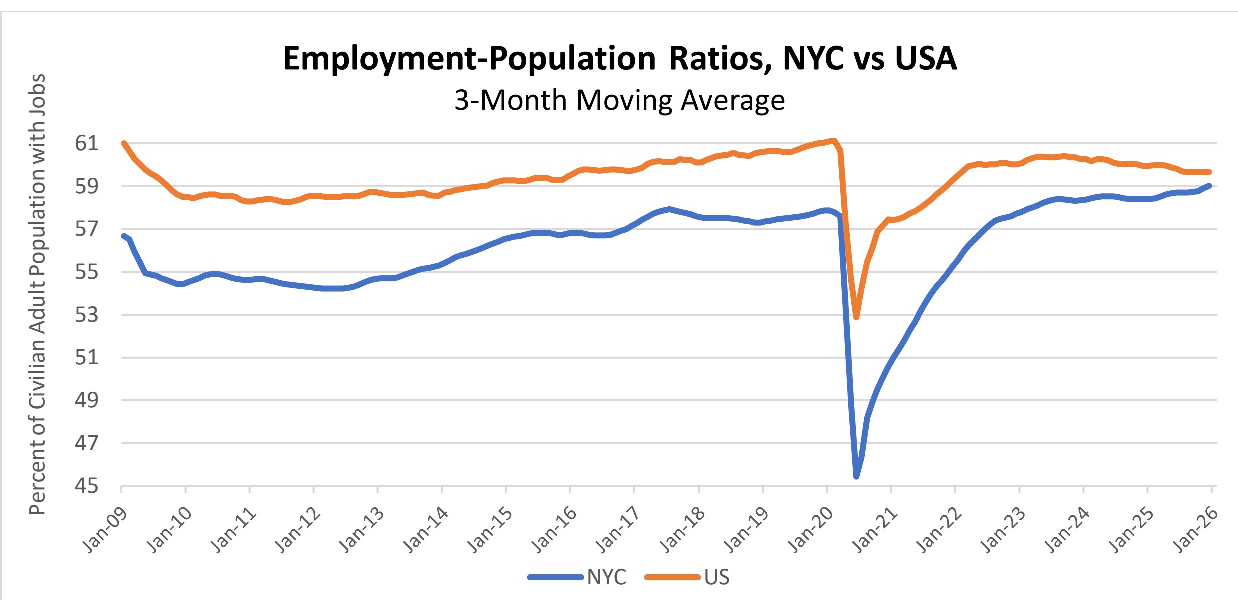
Chart 2



Source: NY State Department of Labor, U.S. Department of Labor

- NYC's unemployment rate has edged up in recent months, driven by rising labor force participation—that is, more people looking for work rather than fewer people with jobs.
- A more telling measure, the employment-population ratio, has been trending up and climbed to yet another record high in November, as shown in Chart 3 below. This contrasts with the nation as a whole, where the ratio has been trending down.

Chart 3



Source: NY State Department of Labor, US Bureau of Labor Statistics

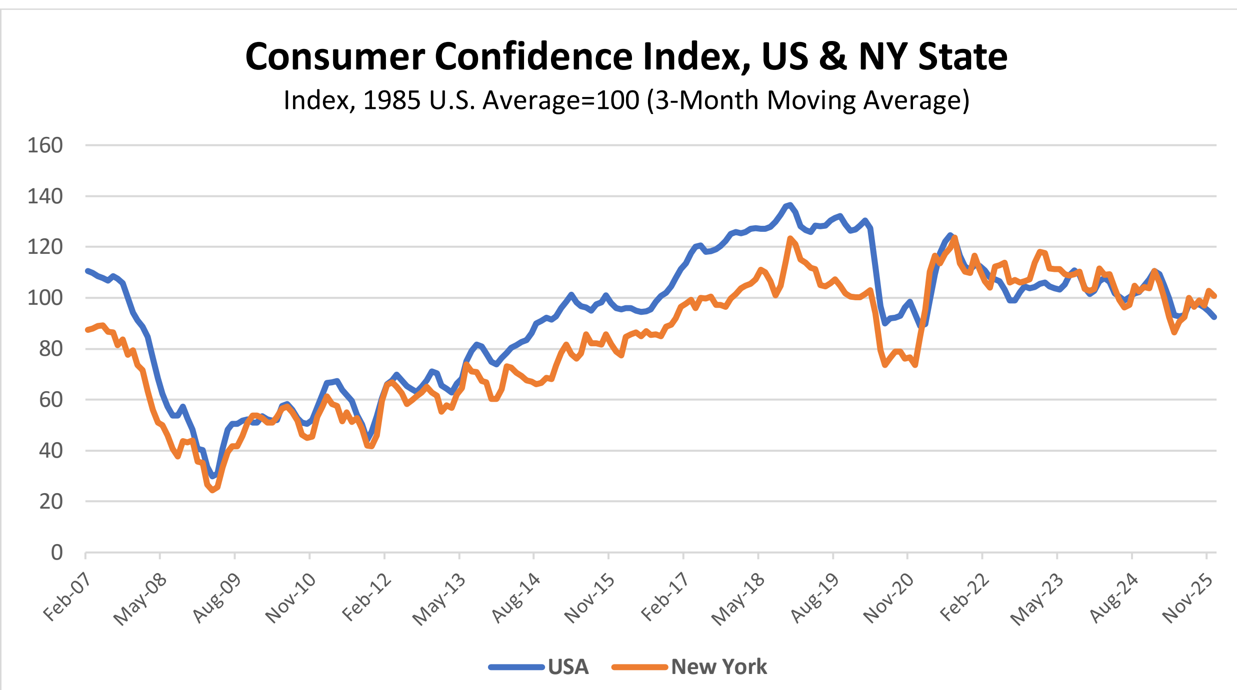
Inflation

- Inflation in the New York metro area continued to run moderately ahead of nationwide inflation over the course of 2025, averaging 3.4% over the 12 months ending in December, above the U.S. rate of 2.7%.
- Energy prices, in particular electricity prices, have been a major driver of local inflation: energy prices overall were up 6.1% locally over the 12 months ending December, versus just 2.3% nationally. The government no longer reports electricity prices locally, but since local gasoline prices are down, it is likely that local electricity prices are up fairly sharply.
- The [New York Fed's business surveys] conducted in December show that more than 40% of regional businesses plan to hike prices in the next six months, which is up slightly from the prior few months.

Consumer & Business Confidence

- Consumer confidence across New York State retreated in December, after surging to its highest level of the year in November. Still, both the monthly level and the 3-month moving average—shown in Chart 4 below—remain higher across the state than nationally. This contrasts with patterns both before and during the pandemic, when statewide confidence was consistently below the national average.

Chart 4



Sources: The Conference Board; Moody's economy.com

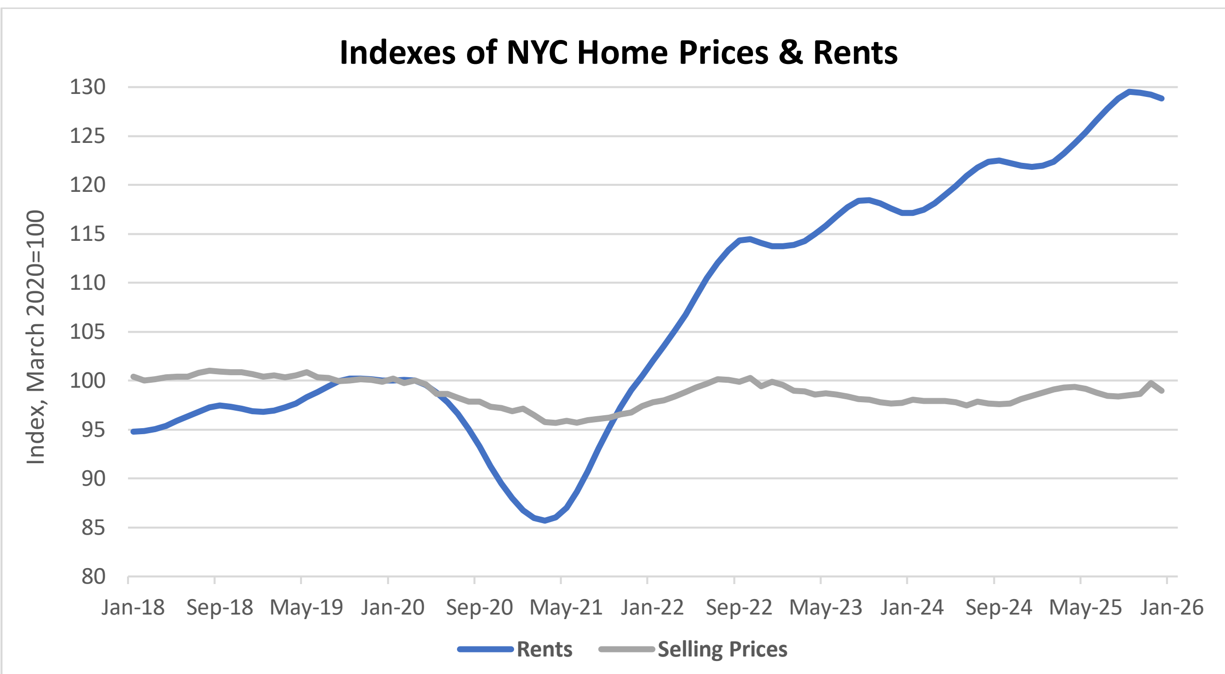
- Regional business surveys suggest drearier sentiment: The New York Fed's December surveys of both manufacturers and service firms across the region point to gradually contracting activity, and ongoing price pressures.

Residential & Commercial Real Estate

- The city's housing rental market has remained tight, with a persistently low inventory of available units and rents trending up. Notwithstanding a normal seasonal dip in November and December, citywide market rents were estimated to have risen nearly 6% over the course of 2025, as shown in Chart 5 below.

- In contrast, selling prices for homes across the five boroughs have remained essentially flat since the pandemic—at least partially reflecting the rise in mortgage rates from a 3-4% range (from mid-2019 to early-2022) to a 6-7% range over the past three years.

Chart 5

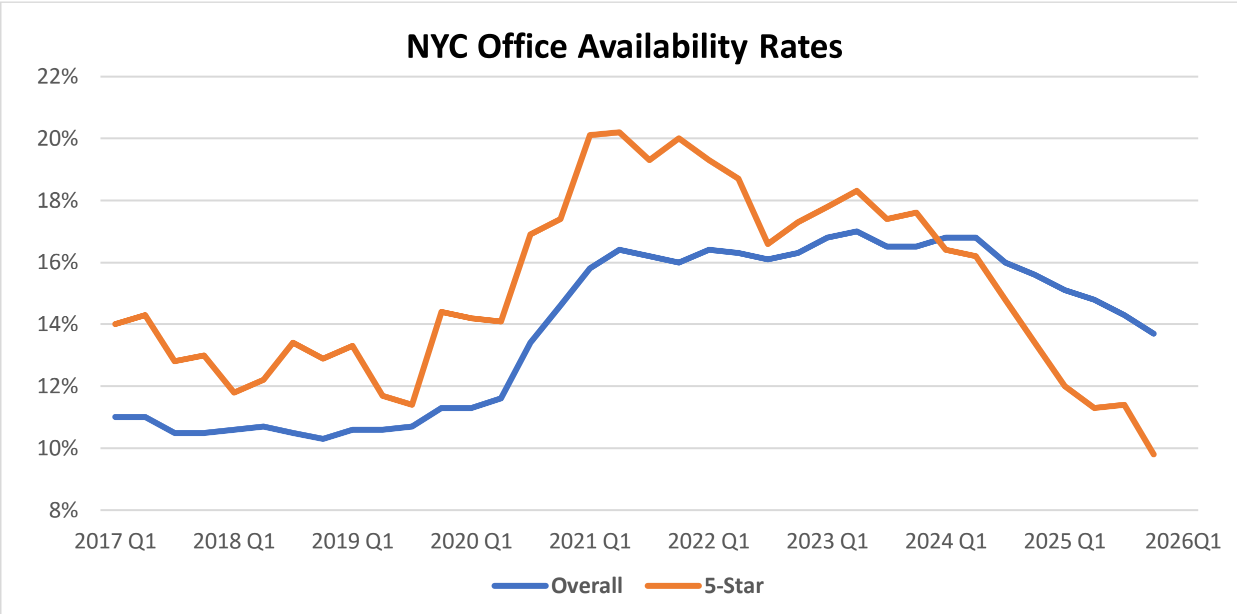


Source: **StreetEasy**

- With escalating costs for apartment buildings with rent-stabilized units, a growing number of these buildings are reported to be in financial stress. A panel of housing experts hosted by the Furman Center last November noted that many such buildings have not kept up with maintenance and are "showing signs of financial and physical deterioration", with implications for the sustainability of NYC's affordable housing system.

- The office market, in contrast, has been rebounding strongly. Despite an outsized increase in the supply of 5-star (top-tier) office buildings, the availability rate for that segment of the market has shrunk far more dramatically over the past year than the rate for all office space, as shown in Chart 6 below.

Chart 6



Source: Costar

- While all building property classes saw increased occupancy over the course of 2025, there remains a substantial gap in demand between top-tier and lower-rated buildings.
- Based on data from Costar, the total amount of office space occupied (leased) at the end of 2025 was 5% below early-2020 (pre-pandemic) levels. Strikingly, the amount of office space occupied in 5-star buildings increased 33% (+15M square feet), while the amount occupied in lower-tier buildings fell 8% (-45M sf). Over the next 3 years, an estimated 3.5 million sf of 5-star office space is expected to be added, whereas an expected 2.9 million sf of lower-tier office space is projected to be removed (demolished or converted) on net.
- Market office rents have risen very modestly across the board over the past year, but they continue to lag. For most office buildings, rents are still somewhat below pre-pandemic levels, and even for 5-star buildings, rents are only modestly above pre-pandemic levels (but are still down more than 15%, after adjusting for inflation).
- The incidence of remote work in office-using jobs appears to have stabilized: nationwide, the frequency of office visits (attendance) appears to have leveled off at 30-35% below pre-pandemic levels, while in New York City, it appears to have settled at 15-20% below.

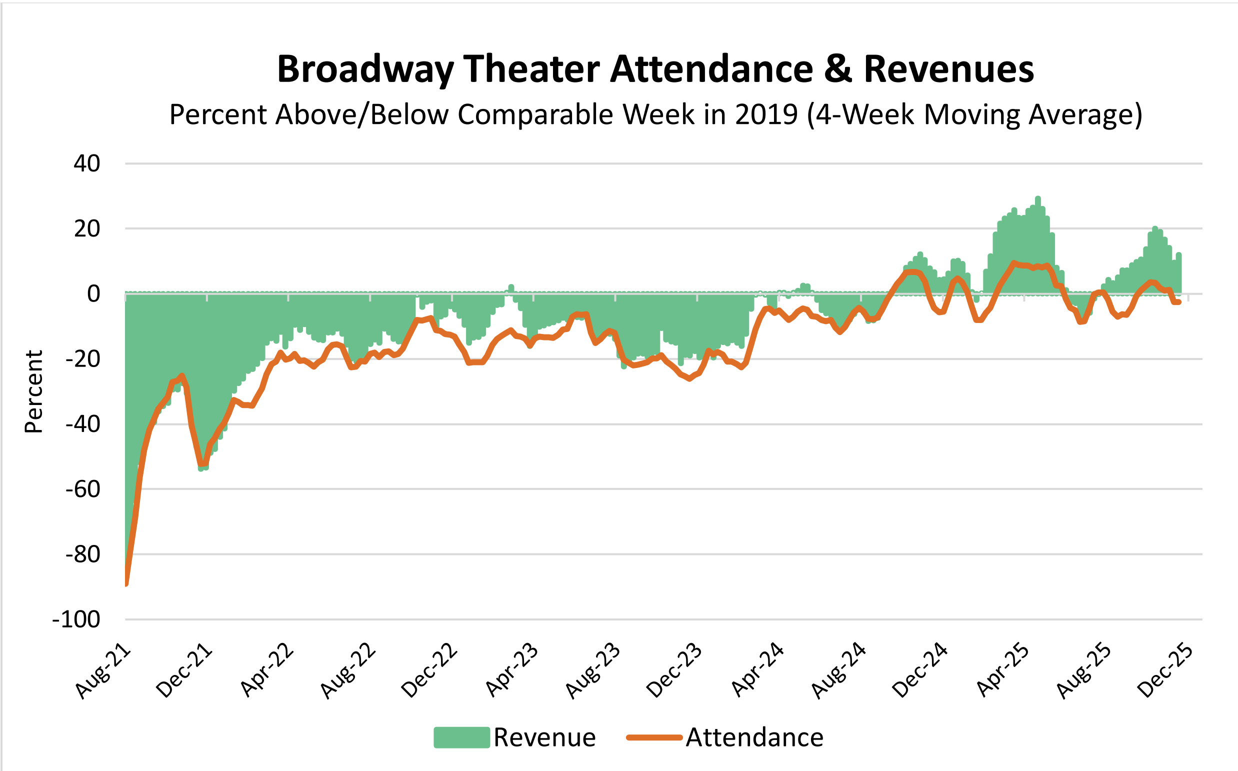
Congestion Pricing: One Year Later

- A year after the launch of congestion pricing in Manhattan's central business district, the MTA reports that bus speeds in the congestion zone, which had been on a declining trend, improved modestly (+2.3%) in 2025, and that commute times on various routes into and across the zone have improved substantially.
- Transit ridership, which had climbed to a post-pandemic high in September, relative to pre-pandemic seasonal patterns, has retreated somewhat over the past couple of months. Still, for 2025 as a whole, both bus and subway ridership were up 7% from 2024. The recent 3% hike in transit fares, in line with inflation, is unlikely to affect ridership.
- The number of vehicles entering the Congestion Reduction Zone (CRZ) fell 11%, based on this dashboard from the RPA (Regional Plan Association), which also tabulates how various other metrics have changed since the inception of congestion pricing.

Tourism

- Hotel occupancy and revenue data for New York City suggest that tourism has remained resilient through year-end, in contrast with a number of other U.S. tourist destinations.
- The citywide hotel occupancy rate edged up to 89% in December, also up slightly from 88% a year earlier. Revenues (per available room) were up roughly 7% from a year earlier, exceeding overall inflation. This contrasts starkly with the nation as a whole, where both hotel occupancy and revenues were down modestly from a year earlier.
- Broadway theatre attendance has been steady and roughly on par with its pre-pandemic mark for the past 6 weeks, while revenues have risen moderately over the same time period, as shown in Chart 7 below. Relative to last autumn, theatre attendance and revenues were both up substantially in November and December.

Chart 7



Source: Broadway League

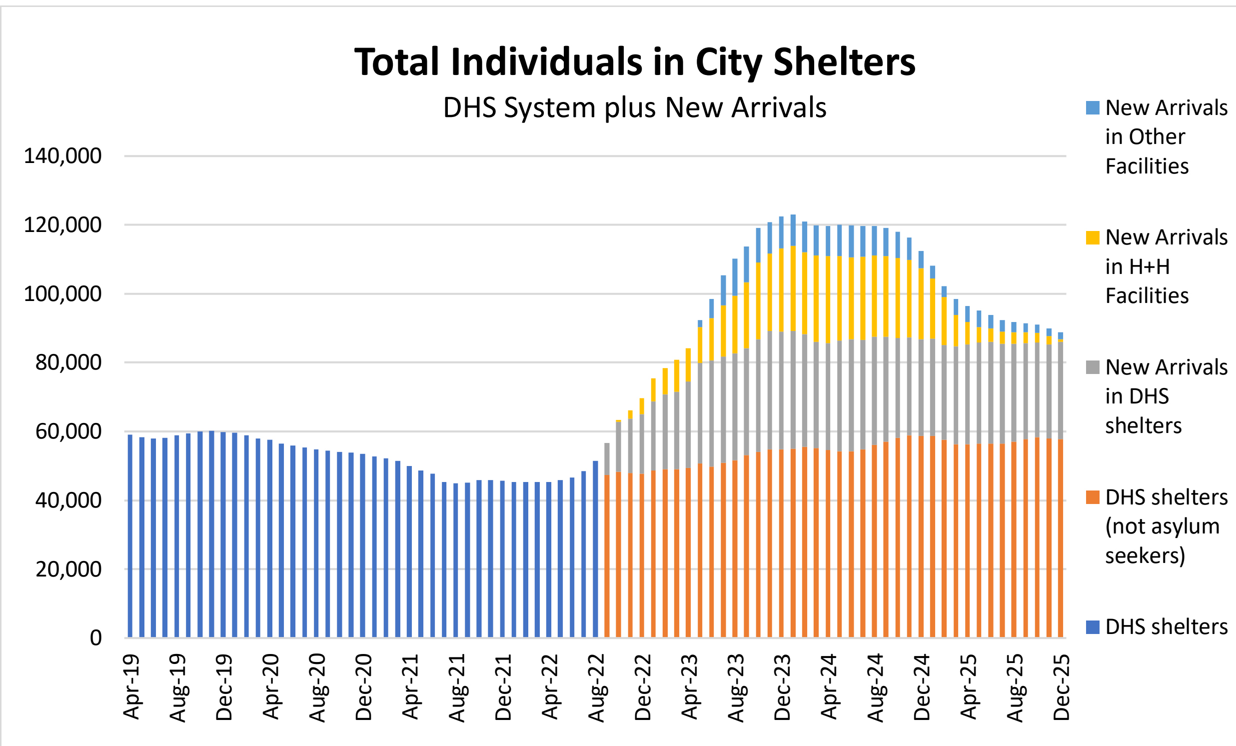
Homelessness & Asylum Seekers

- Chart 8 shows the monthly average number of people in City shelters through December 2025. From December 2022 through December 2025 the Citywide census (comprised of asylum seekers and DHS shelters) increased by 34%, rising from roughly 69,670 to 89,900 individuals. Much of this growth is attributable to asylum seekers, who represent roughly 35% of the total individuals in shelter citywide, down from 55% in January 2024.
- In December, the average number of asylum seekers in City shelters was approximately 31,100, marking a decrease of 850 individuals from November 2025.
- Over the past 12 months, from December 2024 through December 2025, the average shelter census decreased by 22,690 individuals, or 42 percent, but the speed of the decline has moderated. In the last six months of 2025 (June through December) the census declined by 6,260 or 17 percent, while over the prior six months (December 2024 through June 2025) it declined by 16,430 or 31 percent.
- As of January 4, 2026, New York City Health + Hospitals ceased providing emergency asylum seeker shelter with the recent closure of The Row, its final site. Only one non-DHS site remains, managed by the Department of Housing Preservation and Development. On

January 5th, Mayor Mamdani signed an emergency executive order which instructs the Law Department and the Department of Social Services to develop a plan to phase out the continued use of these facilities no later than February 19, 2026. Previously, emergency shelters housing asylum seekers, including the remaining Humanitarian Emergency Response and Relief Center and DHS-managed hotels, were granted exemptions from meeting certain City shelter requirements, such as requiring cooking facilities in shelters for families with children.

- The non-asylum-seeking population has grown by more than 1,400 in FY 2026, from 56,400 in July 2025 to 57,800 in December, but all growth occurred prior to November, as November and December have had population declines of 220 and 240, respectively.

Chart 8



Sources: NYC DHS; NYC Mayor’s Office; Office of the NYC Comptroller

Note: Figures shown are monthly averages. Data on the asylum seeker population within DHS shelters are not available prior to August 31, 2022. Other Facilities include spaces operated by NYCEM, HPD, and DYCD, and those outside of NYC.

City Finances

Winter Bonus Season

- The winter months, December through March, are the most common times for New York City employers to distribute incentive-based bonuses. This is especially true for the Wall Street Securities industry, for which annual incentives comprise a large portion of their employees' compensation. Comparing New York City income tax withholding during this period to that withheld in prior months provides a preliminary estimate of the size of this year's bonus payments.
- Table 2 shows an early estimate of winter bonuses in NYC, based on PIT withholding in December 2025 and through the first full week of January 2026. Withholding data suggests that bonuses are 9.3% higher than the comparable weeks of the prior year.
    - In most years, the majority of bonuses paid came later in the season. Therefore, this estimate may change as more weeks of data become available.

Table 2: NYC Winter Bonuses Through the First Full Week in January

	Amount in $ Millions	Growth from prior year
NYC withholding tax collections (5 consecutive full weeks ending January 6)	$1,701.6	7.6%
Estimated NYC base pay withholding tax collections (using withholding growth rates in April through November 2025)	$1,158.6	6.8%
Estimated NYC bonus pool disbursement	$543.0	9.3%

Source: New York State Department of Taxation and Finance; Office of the NYC Comptroller calculations

- The estimates are for New York City residents in all industries, and they do not represent bonuses paid by NYC employers to non-residents. Nor are the estimates specific to any one sector.
    - Despite this, the bonus growth rate in the winter season often is a good prediction of the growth in the Wall Street bonus pool, which is paid to non-residents of NYC as well as residents. The Office of the NYC Comptroller has previously forecasted Wall Street bonuses to rise by 6.0% this year, based on significant 2025 growth in Wall Street profits and continued strong financial market performance.

NYC's Uneven Exchange with Albany

- A recent study found that, in NY State Fiscal Year 2021-22, NYC contributed 54.5% of NY State revenues ($68.8 billion) while receiving only 40.5% of NY State Operating Expenditures ($47.6 billion).
- The December 2025 policy brief—prepared jointly by the CUNY Institute for State & Local Governance and the Center for New York City Affairs at The New School—also found that:
    - NYC's share of personal income taxes was 58.7% when measured by place of work compared to 46.7% by place of residence.
    - Business tax collections are also heavily concentrated in NYC, at nearly 60% of total State business tax revenues.
    - New York City's share of State GDP increased from 54.3% in 2010 to 60.1% in 2022, representing nearly a 10%-point increase over the 12-year period.
- It is worth noting the acknowledged caveat that the study focuses only on expenditures from the State's Operating Funds and does not include NYC's share of Federal funds disbursed by the State, public authority spending (such as by MTA), or any allocation of debt service paid.

New York State of the State

- In her January 13th State of the State address, Governor Hochul previewed priorities for the State FY 2027 Executive Budget, to be released next week. Priorities included a major expansion of child care initiatives previously announced with Mayor Mamdani as well as other proposals to address housing affordability and energy costs, transportation, and public safety.
- To advance her roadmap to universal child care, the Governor committed:
    - $75 million in State FY 2027 and $425 million in FY 2028 to launch a universal "2-Care" program in NYC;
    - $1.2 billion statewide for the Child Care Assistance Program to further support child care vouchers and a growing waitlist; and
    - $500 million to expand universal pre-K for four-year olds across the rest of the State.
    - The State will also spend $100 million to shore up the City's 3-K program. *(This Office estimates a larger shortfall of $300 million in 3-K and pre-K funding in the current year).*
- The Governor proposed continuing a tuition freeze at SUNY and CUNY Senior Colleges, along with an expansion of free community college for selected professions, and a fund to cover emergency costs for students.
- Housing and other affordability proposals include:
    - Reforming NYC's J-51 tax incentives to support capital improvements in rent-regulated housing;
    - Increasing income eligibility for the senior citizen and disability rent increase exemptions (SCRIE and DRIE, respectively);

- Streamlining regulations to support housing production;
- Expanding heating assistance and other initiatives to reduce energy costs, including expanded nuclear energy production.
- An effort to address fraud and litigation costs to lower auto insurance rates for New Yorkers.

- Transportation and safety proposals include:
  - Additional support for the 2nd Avenue subway expansion westward along 125th Street to connect the Q train with the 2/3, 4/5/6, and A/B/C/D lines;
  - Modernizing Jamaica Station, a commuter hub connecting the subway, the Long Island Railroad, and the JFK AirTrain.
  - Installing platform edge barriers at an additional 85 subway stations (beyond the current 115);
  - Expediting the Interborough Express (IBX) permitting process;
  - Continuing $77 million in funding for overnight police presence in the subway system; and
  - Expanding Mental Health Subway Co-Response Outreach Teams (SCOUTs) from 10 to 15 teams.
- Other legislative priorities of the Governor include:
  - Establishing a 25-foot protest buffer zone around houses of worship and abortion clinics;
  - Allowing NYC to mandate installing speed limiting technology on repeat “super speeder” vehicles;
  - Limiting ICE’s access to certain locations, such as schools and hospitals, except in cases involving serious criminal offenses; and
  - Eliminating state income taxes on up to $25,000 of tipped income in tax year 2026, consistent with federal tax guidance as described in the OBBBA section below.

Conforming with or Decoupling from OBBBA?

- Governor Hochul announced on January 1 her intention to propose exempting tipped income from State personal income tax, conforming to the Federal exclusions passed in the OBBBA (One Big Beautiful Bill Act).
  - This exclusion is available up to $25,000 of tipped income per return, is limited to a list of occupational categories that were deemed by the U.S. Treasury Department to have “customarily and regularly” received tips in tax years prior to the exclusion, and is phased-out for taxpayers with income above $150,000 ($300,000 joint).
  - While not explicitly mentioned in the statement, this proposed exclusion is expected to also apply to New York City’s own personal income tax base.
- The State will also need to consider decoupling State and City business income taxes from the OBBBA’s changes that would otherwise reduce the tax bases. (See *Recent Trends in Business*

Income Taxes and Flow-Through of Public Law 119-21 ("One Big Beautiful Bill Act") to NYC's Tax Base in the December 2025 Newsletter).

- These changes include first-year full expensing of research and experimentation expenditures and 100% bonus depreciation for expenditures on non-residential property used in manufacturing.
- The City will likely not want to decouple on from the OBBBA's changes to certain foreign income definitions for multinational enterprises, which could expand its tax base (the State effectively decoupled years ago).
- A bill introduced by Senator Gounardes appears to only reverse certain provisions that would reduce NYS Adjusted Gross Income for the personal income tax.

Federal Update

- Affordable Care Act Enhanced Tax Credits expired on December 31st, increasing out of pocket care for individuals relying on Marketplace health coverage. (*Further background on health care costs can be found in the Comptroller's December Fiscal Note).*
    - On January 8th, the House of Representatives passed a bipartisan bill to extend the enhanced tax credits for three years.
    - Although the Senate defeated a similar bill in December, a bipartisan group of Senators is developing a compromise bill; its prospects remain uncertain.
    - While extension of the credits was a central issue during the November federal government shutdown, it is not expected to play a major role in negotiations when the current Continuing Resolution expires at the end of January.
    - Congressional leaders anticipate that approximately half of the federal funding bills will be approved by the end of the month (about 20-25% of total appropriations), with another short or long-term continuing resolution required to keep the government operating.
- The Trump Administration announced a freeze of approximately $10 billion of social services and child care funding across three federal block grants in five Democratic-led states, including New York. Attorney General Letitia James joined four other state attorneys general to sue the Trump Administration and won a temporary restraining order to stop the withholding of funds for these programs.
    - NYC receives approximately $2.5 billion across the three programs, Temporary Aid for Needy Families (TANF), the Child Care Development Funds (CCDF), and the Social Services Block Grant (SSBG).
    - NYC's FY 2026 budget includes $1.87 billion in TANF funds that primarily support cash assistance and shelter services for families, with smaller amounts going towards child welfare and youth programming.

- As of October, over 150,000 family members received cash assistance largely funded (85%) by the TANF program.
- The Department of Homeless Services provides shelter to over 10,000 families with children, excluding asylum seekers, which is partially supported by TANF funds.

- NY State supplements federal child care funds with its own and distributes them to localities to administer the Child Care Assistance Program. Overall, the Office of the Comptroller expects the City will receive nearly $1 billion in Child Care Block Grant funds (federal and state combined) to help support its child care voucher and early childhood education programs in City FY 2026.
  - These funds are further combined with city tax levy to support almost 110,000 child care slots.
- NYC's 2026 budget includes $233 million in SSBG funds, primarily in the Administration for Children's Services and the Department of Social Services, with a smaller amount of funding in the Department for the Aging.

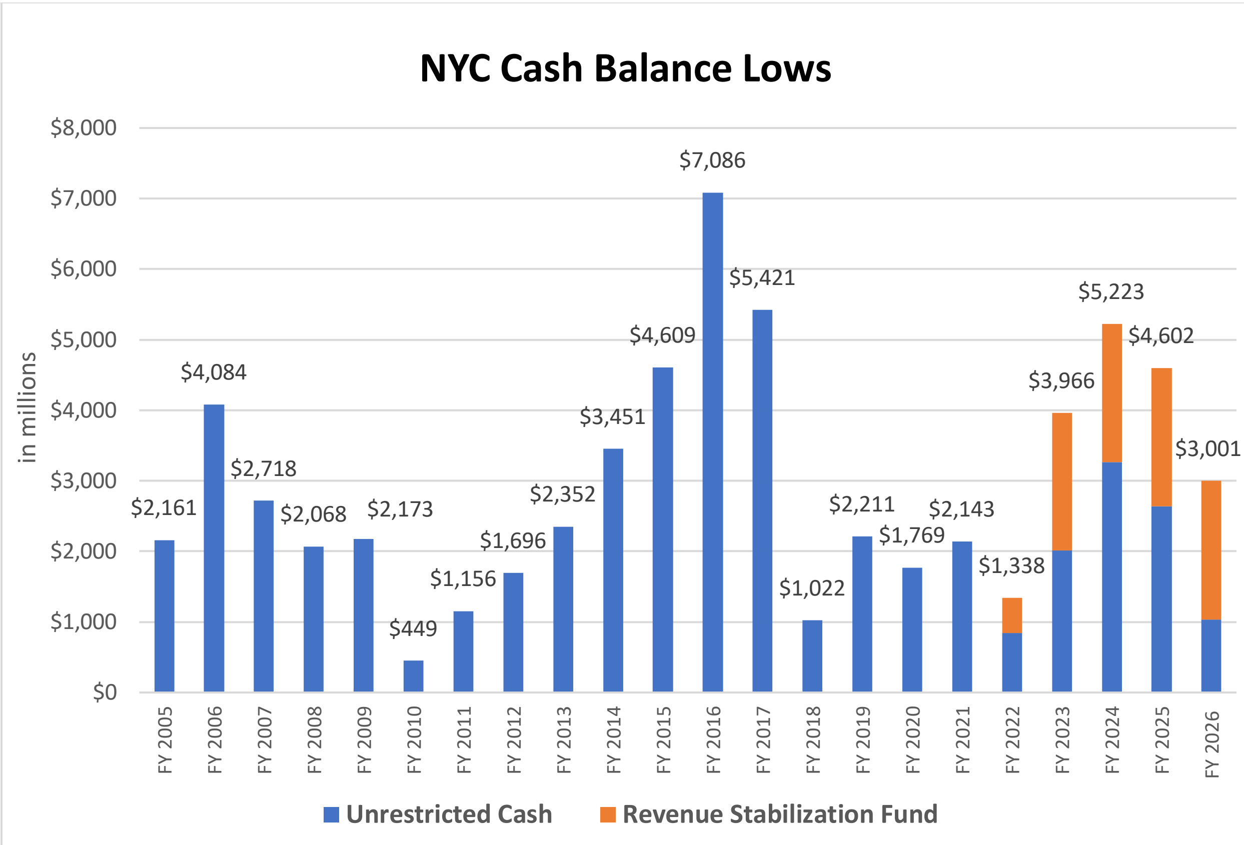
- President Trump again threatened to withhold funding from sanctuary jurisdictions (including any states that are home to sanctuary cities). The courts have struck down previously attempts, and both the New York City and NY State have indicated they will file lawsuits if this threat is implemented.

New York City's Cash Balances

- Over the course of every year, the City's cash balances fluctuate significantly month-to-month because of large and lumpy cash receipts and payments. The cash trough typically occurs in late November to early December, right before the arrival of semi-annual property tax bills, usually due by January 1st. This year's seasonal low occurred on Friday, November 28th, and measured $3.001 billion. Over the past three years, seasonal lows have been trending steadily downward. The seasonal lows measured $4.602 billion in FY 2025 and $5.523 billion in FY 2024.
- Chart 9 shows cash balance lows from FY 2005 to present. The highest seasonal low occurred in FY 2016 and measured $7.086 billion, due to strong tax collections and high capital transfers.
- In early 2021, the City established the Revenue Stabilization Fund (RSF), also known as the Rainy-Day Fund, setting aside resources for unexpected events. The City allocated $499 million to the RSF in FY 2021, $1.455 billion in FY 2022, and $5.1 million in each of FYs 2023 through 2025, for a total of $1.969 billion. The RSF balance is included in the City's cash total. Without counting that balance, the low point this year is modestly higher than in FY22 and roughly in line with the low point observed in FY18.
- As of January 9th, the cash balance stood at $12.077 billion, compared to $16.759 billion at the same time last year. The Comptroller's Office's review of the City's cash position during

the first quarter of FY 2026 and projections for cash balances through March 31, 2026, are available here.

Chart 9



Source: Office of the NYC Comptroller

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