

2025 Policy Progress Across 50 States and DC: State Policy Wins in Child Care

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This analysis of the year in early childhood state policy advocacy relies on data from a survey of early childhood policy advocates in all 50 states and the District of Columbia, conducted May 2025 through December 2025. The survey asked them for highlights from the year, so the results are representative and not comprehensive. Policy "wins" include legislation, funding increases, executive actions, and regulatory changes.

The survey was developed and executed by Dr. Lisa Kerber of Frontera Strategy. Frontera supports advocacy efforts nationwide by providing qualitative and quantitative research services, including needs assessments and environmental scans, program and policy evaluation, statistical analyses, and survey research for associations, foundations, and nonprofit service organizations active in state capitols.

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Suggested Citation: Alliance for Early Success, *50-State Early Childhood Policy Progress and Landscape Report, 2025*.

First-Time State Investments in Child Care

Mississippi

The Mississippi legislature made a historic, first-time investment in childcare. The Child Care Payment Program, Mississippi's childcare voucher program funded through the Child Care Development Fund, was appropriated \$15 million for additional childcare vouchers for low-income children and families.

Target population: Low-income families who use CCDF to help afford childcare

State funding: Relatively large increase of state funding

Quantify: The additional appropriation will help reduce the number of children who are not renewed for childcare assistance due to the sunset of pandemic-era funds. Of the 36,000 children Mississippi serves, about 10,000 children, or a third, are not going to be renewed as the Mississippi Department of Human Services seeks to right-size its budget.

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Montana

HB 924 revises state finance laws, including the establishment of the Montana Early Childhood Special Revenue Account with a \$10 million appropriation (seed funding) that will gain interest over time. The fund could be used to support various early childhood initiatives, guided by the Montana Early Childhood Strategic Plan and Comprehensive Fiscal Analysis and managed by a public/private board. The fund may also receive private donations to expand its impact.

Examples of what the fund could support include: early childhood workforce development, child care quality improvements, child care affordability initiatives, early childhood innovation programs, emergency assistance for families with young children, and more.

Target population: The early childhood workforce, families, tribal populations, infant-toddler care, rural communities, depending on how the funding is invested

State funding: Relatively large increase of state funding

Quantify: Creating a long-term, sustainable funding source for Montana's early childhood system will strengthen early childhood programs and services in the state. Anticipate short- and long-term impact for children and families.

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Expanding Child Care Assistance Program

Alaska

SB95 and SB96 are identical to the child care bill that passed the legislature last year, but due to a court challenge related to the single subject rule, these bills had to be re-passed this session.

SB95 will increase access to child care assistance for families up to 105% of SMI.

Target population: Families between 86-105% of SMI

State funding: Relatively large increase of state funding

Quantify: About 18,000 additional children would qualify for child care assistance. Given current levels of use, an estimated 1200 children would receive child care assistance.

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Arizona

As a result of the loss of pandemic funds, Arizona was required to implement a waiting list for the Child Care Assistance Program in August 2024. This year, the state appropriated \$44.9 million – the largest state investment in over 15 years – to release half of the families from the waiting list.

Target population: Families at or below 165% of the FPL

State funding: Relatively large increase of state funding

Quantify: About 2,000 families and over 3,000 children who are currently on the waiting list

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Colorado

Colorado increased state funding for the Colorado Child Care Assistance Program (CCCAP) by \$21.7 million.

Target population: Low-income children and families

State funding: Relatively small increase of state funding

Quantify: The increase will help increase provider payments.

Delaware

Increased reporting on Purchase of Care by DHSS will demonstrate who is served, remaining funds, and need. The Purchase of Care program is available to families who have a gross income equal to or less than 200% of the Federal Poverty Level and a documented need for child care services.

State funding: No change in state funding related to this win

Iowa

The Governor put forward bills to create (1) an RFP for grants to support partnerships between Statewide Voluntary Preschool Program (SWVPP) sites and licensed child care centers, (2) a fund that allows individuals and businesses to contribute toward boosting child care workforce wages, and (3) a continuation of a pilot program that allows eligible child care workers to qualify for Child Care Assistance. The bills did not pass, but the Governor implemented all bill provisions administratively, with new federal dollars.

Target population: Child care providers, preschools, parents and children

State funding: No change in state funding related to this win

Quantify: 13,000 new families

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Louisiana

The Legislature included flat funding (\$78 million) -- no cuts -- for the Child Care Assistance Program (CCAP) in the state budget. This state funding typically supports the contracted seats model, which serves more than 3,000 children from birth to age three annually.

Target population: Funding for CCAP supports working parents who meet eligibility requirements, including earning below 85% of the state median income. Because most of the state funding is directed toward the contracted seats model, it primarily funds child care for the most underserved population—children from birth to age three.

State funding: No change in state funding related to this win

Quantify: The funding passed in this year's state budget is the same as last year's funding, so there is no anticipation of increased access from this budget amount.

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Massachusetts

The FY26 budget included a \$160 million increase (11%) relative to FY25 for early education and care. Most of this increase was for child care access and was required to keep pace with the state's growing caseload of entitlement cases.

Target population: Children with active cases at Department of Children and Families (DCF) and Department of Transitional Assistance (DTA) (entitlement cases), who are not subject to the waitlist. The state's Child Care Financial Assistance (CCFA) system provides low- or no-cost child care to families who are eligible based on their income or because they are involved with DCF or DTA. Most of CCFA's recent growth reflects increases in DCF and DTA caseloads. Existing resources for income-eligible care have been maximized, and the income-eligible child care waitlist has been frozen since 2024, as funding must first serve children who are entitled to care.

State funding: Relatively large increase of state funding

Quantify: Funding has allowed a record high number of children enrolled in child care through the state's CCFA system – approaching 70,000 children enrolled, infants through school-age.

[Budget summary](#)

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Minnesota

House File 2 lowered Child Care Assistance Program (CCAP) co-payments for Minnesota families, capping them at 7% of a family's income. Currently, families who are part of CCAP spend up to 14% of their income on child care co-payments. The new fee schedule goes into effect in October 2028. Additionally, HF 2 resets the CCAP redetermination date for all eligible children in a family when a new eligible child is added to a family. These two programmatic changes are necessary to bring CCAP into federal compliance with CCDF requirements.

Target population: Families paying for child care in Minnesota

State funding: Relatively large increase of state funding

Quantify: All families will see a 6.9% cap on their child care copays.

New York

The state grew its operating fund investment in Child Care Assistance (CCAP) by an additional \$400 million, building on the significant increase in state operating fund spending on CCAP in the last six years. New York's total investment in child care assistance has nearly tripled since 2020; the state's general fund investment is more than six times greater in SFY 2026 than in SFY 2020. In SFY 2026, New York's total investment in child care assistance (state and federal funds) will be \$2.2 billion, with \$1.41 billion appropriated from the state general fund. In SFY 2020, in comparison, New York's total investment in CCAP was \$832 million, with the state's general fund appropriation totaling \$183 million.

Target population: Children under age 13 in families eligible for child care subsidies – primarily working families with income under 85% of state median income (about \$113k for a family of four).

State funding: Relatively large increase of state funding

Quantify: The \$400 million could allow approximately 25,000 New York children to continue to receive or start receiving child care assistance. To put that number in context, as of January 2025, 150,749 New York children were receiving child care assistance.

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Rhode Island

The FY26 budget bill creates a new category of rates for infants under 18 months in the Child Care Assistance Program. A 20% increase above the toddler rates is funding with \$3 million in newly allocated federal funding (CCDBG and TANF).

Target population: Infants under 18 months. Availability of infant care statewide.

State funding: No change in state funding related to this win

Quantify: \$3 million in federal funding newly allocated. 850 infants under 18 months receiving CCAP at any given time. Should improve infant staff retention and recruitment, prevent more closures of infant classrooms, and re-open some of the closed infant classrooms.

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[Summary highlighting child care](#)

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Child Care Licensing and Regulations

Florida

SB 738 requires the Department of Children and Families to create an abbreviated inspection plan for child care providers that are already in good standing (lack violations or complaints), as well as create up to three new tiers of licensing violations for standardization. It also compels DCF to eliminate “unnecessary and duplicative” inspections of child care facilities, family child care homes, and large family child care homes, and reduces the ability of municipalities to levy special assessments against preschools. It removes a requirement for providers to give parents literature about child drop-off safety and vaccination. Finally, it requires DCF to provide free

online training and background checks for new child care personnel, with background checks to be completed within three days. If not completed within three days, personnel may be designated a 45-day provisional hire, where they must be under supervision by a previously screened and trained employee.

Target population: Preschools, child care centers, family day care homes, large family child care homes, and their providers.

State funding: No change in state funding related to this win

Quantify: This bill, in theory, makes it easier for child care centers to operate and pass inspection, and thus expands the availability of child care for children and families that need it. Likewise, this will impact practitioners by reducing their out-of-pocket spending to on-board new staff - the bill's fiscal impact report estimates that training agencies and DCF receive around \$4 million annually in training fees.

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Illinois

As Illinois transitions child care licensing to the new Department of Early Childhood, HB3439 provides practical updates to streamline and clarify the process. It will extend the background check renewal period from three to five years, aligning with federal guidance. This change will reduce the administrative burden while maintaining safety standards. It also codifies existing DCFS guidance to allow provisional hiring of child care staff who have completed FBI or ISP fingerprint background checks, provided they are supervised by fully cleared staff.

Target population: HB3439 will benefit both child care providers and prospective teachers. Extending the background check renewal period will alleviate administrative burden on teachers and allow them to focus more on their work. Codifying the provisional hiring rule allows providers to address their teacher shortage needs without losing prospective teachers and maintain clear communication with their Day Care Licensing Representatives (DCLR).

State funding: Relatively small increase of state funding

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Indiana

House Bill 1253 called for the creation of a multi-site licensure category for child care providers, allowing providers that operate more than one location to have a streamlined licensure process. Individual site-level inspection and enforcement will still be in force. Providers currently face challenges to starting new partnerships or sites, despite the need and opportunity, and the licensure process has been duplicative and paperwork-heavy. This bill should allow providers an easier pathway to expansion while not sacrificing the state's critical role in oversight.

Target population: Child care providers that operate in more than one location

State funding: No change in state funding related to this win

[Link](#)

Minnesota

Two policies focused on infant and toddler safety passed during the special legislative session. HF2/SF6 requires licensed child care centers that have a substantiated child maltreatment report to install video security cameras in each room designated for infants or toddlers. The center must retain the video recordings for 28 days after the date of the recording. If the center is notified by law enforcement of a suspected crime against a child, the center must keep the recordings until the investigation is complete. If the center has a video recording of a reportable incident, the center must keep the recordings for six months. Centers are allowed to use redacted recordings for training purposes. The new law addresses recording dissemination and written policy and notice requirements. The new child safety camera law includes grants of up to \$4,000 to help centers pay for cameras and related training. The law also requires pediatric care providers to provide parents and caregivers of infants up to six months of age with materials on how to recognize the signs of and report infant physical abuse and includes funding for materials development.

Target population: Children in center-based child care, child care providers with substantiated child maltreatment cases

State funding: Relatively small increase of state funding

Missouri

Governor Kehoe's Executive Order 25-15 charged Missouri's Office of Childhood (OOC) with updating child care licensing rules, improving the readability, eliminating duplicated, outdated, or unnecessarily burdensome regulations, and reducing the regulatory requirements on child care licensing by at least 10%. He ordered that OOC collect input from a diverse group of stakeholders across the state. A comprehensive report will be presented to the Governor by September 1, 2025.

State funding: No change in state funding related to this win

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Missouri

Legislation passed which allows the Office of Childhood to offer a temporary license for child care facilities that are adding slots or expanding to a second location. This license is only for licensed facilities in good standing that have already passed all other inspections and are waiting for the final inspection from the OOC for licensing. The temporary license is good for up to one year.

State funding: No change in state funding related to this win

[Link, Section 210.221 in SB 150](#)

Nebraska

LB248 exempts from state licensing requirements child care programs located on military bases or federal property and those licensed by the military as family child care providers.

State funding: No change in state funding related to this win

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Texas

SB 599 restricts local governments and municipalities from imposing additional health and safety standards on Family Child Care Home Providers. Local governments cannot create an ordinance, order, or other measure that further regulates the health and safety of a day care or family home licensed under the Human Resources Code. Child care homes and family homes now must only meet the facility and capacity standards set by the state.

Target population: This legislation provides important support for family child care home providers. During community conversations with providers, this issue consistently emerged as a significant concern and a barrier for those operating or considering opening family child care homes.

State funding: No change in state funding related to this win

Quantify: There has been a 24% decline in family child care providers since 2019. These efforts may support growth in this critical part of the child care sector.

[Link](#)

Wyoming

HB 188, Two Families, One Nanny, allows a nanny to care for up to four children from multiple families without requiring licensure. Previously, regulations permitted a nanny to watch only two children (two from the same family or one from one family and one from another), which limited options and made it hard to attract nannies to rural areas.

Target population: Parents and young children needing child care

State funding: No change in state funding related to this win

Quantify: In many of Wyoming's small towns, when the only licensed provider closes, families are left scrambling to find care. By raising the limit to four children, HB 188 strikes a balance by expanding access to childcare without compromising safety. This is especially important during childcare emergencies in underserved communities.

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Tax Policies

Tax Credits for Child Care Providers

Connecticut

Effective January 1, 2026, family child care providers are eligible to take a new \$500 credit on their state income tax.

Target population: This bill targets the roughly 1,800 family child care operators in the state.

State funding: Relatively small increase of state funding

Quantify: This tax credit will cost the state \$900k if all 1,800 family childcare providers take the \$500 credit.

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Maryland

HB 389 reforms the property tax credits that counties are authorized to offer child care programs and allows a credit for child care providers' real property (buildings and land). It also allows a similar credit for businesses that create on-site space for child care. Four counties in Maryland currently offer one or both credits. The bill raises the maximum allowed property tax credit for child care providers from \$3,000 to \$10,000.

Target population: Child care centers, family child care homes, and large family child care homes

State funding: No change in state funding related to this win

Quantify: This legislation enables action by local jurisdictions, so it is too soon to quantify impact. Communities may see an increase in the availability of child care, and the tax burden on child care providers will be reduced.

[Link](#)

Tax Credits for Businesses Investing in Child Care

Alaska

SB96 provides tax credits for investments in child care to businesses in specific sectors.

State funding: Relatively small increase of state funding

[Link](#)

Indiana

Senate Bill 463 included an extension through 2027 of a tax credit for businesses that want to open on-site or near-site child care facilities for the children of their employees.

Target population: Businesses who are interested in or have made strides toward opening child care facilities

State funding: No change in state funding related to this win

Quantify: Department of Revenue will release data on uptake by businesses for the first iteration of the tax credit.

[Link](#)

Georgia

A new tax credit package: 1) establishes a \$250 non-refundable child tax credit for children under age 6; 2) increases the state Child and Dependent Care Tax Credit (CDCTC) from 30% to 50% of the federal credit; and 3) provides tax benefits to employers who make direct payments to child care facilities to cover a portion of employees' child care costs. This tax credit package is a direct outcome of the Senate Study Committee on Access to Affordable Childcare.

Target population: Employers and parents with young children (with tax liability). More specifically: 1) Employers who want to support employees' child care costs (employer benefits), 2) Parents with children under age six (with tax liability) (State Child Tax Credit), and 3) Parents with children under age 13 with eligible child care expenses (CDCTC).

State funding: Relatively large increase of state funding

Quantify: Up to 1,115,000 children under 13 whose parent(s) are both employed and in need of child care

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Louisiana

Act 454 revamps the business-supported child care portion of the School Readiness Tax Credits, the first significant enhancement to the tax credits in over a decade. The legislation renames the School Readiness Tax Credits as the “Workforce Child Care Tax Credits” and increases the credit for businesses that support child care access for their employees. Businesses can now contribute up to \$10,000 per child or \$100,000 for a set of child care seats per year and receive up to a 50% tax credit, depending on the quality rating of the child care provider they support.

Target population: If their employer offers child care as a workplace benefit, parent employees could have their child care expenses reduced. Additionally, the legislation aims to incentivize more businesses to participate in the tax credits. Employer-supported child care tax credits do not require parent employees to meet specific qualifications, meaning employers can receive the credit regardless of whether their parent employees qualify for public assistance programs.

State funding: Relatively small increase of state funding

Quantify: Depending on the business community's engagement, this legislation could increase the number of children accessing early childhood programs. Prior to the legislation, fewer than 25 businesses in the state participated in the tax credit.

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Nebraska

LB182 makes banks and insurance companies eligible for a nonrefundable tax credit under the Child Care Tax Credit Act when they make a qualifying contribution to the child care industry.

State funding: No change in state funding related to this win

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Tax Exemptions for Child Care Facilities or Providers

Indiana

House Bill 1427 included two new property tax exemptions relating to child care: (1) a partial property tax exemption for businesses that use some of their space for an on-site child care facility, and (2) a property tax exemption for for-profit child care centers to mirror the one available to non-profit operators.

State funding: No change in state funding related to this win

Target population: The bill was an omnibus bill around local taxation for the Department of Local Government Finance. Indiana had a prolonged conversation about property tax increases and reform, and HB 1427 was one part of the resolution of those issues. The hope is that these provisions, coupled with the extension of the tax credit in SB 463, will provide sufficient incentives for more businesses to explore adding capacity.

[Link](#)

Child Care Scholarships and Tuition Assistance

Georgia

\$3.9 million in state general funds was allocated to provide an additional 500 child care scholarships through Georgia's Childcare and Parent Services (CAPS) Program. \$1.5 million was allocated to support increasing reimbursement rates for CAPS providers to the 60th percentile of market rate.

Target population: Subsidy-eligible families with young children and child care providers who accept child care subsidies

State funding: Relatively small increase of state funding

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Maryland

HB 1121 aims to improve foster youth access to child care scholarships as part of the Successful Adult Program. The bill would establish a three-year pilot program to help remove barriers for foster youth parents by simplifying the application process. It eliminates the need for non-custodial parent signatures and removes the requirement for proof of employment or enrollment in educational or job-training programs. By removing these obstacles, the program would encourage parenting foster youth to seek career opportunities or education without the fear of childcare issues. Ultimately, these changes would likely increase program participation and support foster youth in successfully transitioning to independent adulthood while raising their children.

Target population: Foster youth who are parenting

[Link](#)

Michigan

This year's budget included a funding increase of \$44 million to reflect increased caseloads for the Child Development and Care (CDC) program, Michigan's child care scholarship, as well as an additional \$3.5 million to help the department begin transitioning to prospective payments.

Target population: The change will benefit families below 200% of the federal poverty level with children aged birth to 12 who qualify for the child care scholarship.

Quantify: Approximately 47,000 children aged birth to 12 use a CDC scholarship to access child care in a given month, a number that has increased more than 35% from 2022 to 2024, reflecting the need for more funding to continue offering scholarships without a waitlist.

[Link](#)

New Hampshire

SB 243 streamlines the application process and reduces administrative burden on both families and providers. The bill improves the child care scholarship program in three ways: 1) Streamlined Provider Payments: eliminating burdensome reporting requirements and moving to advanced payments (by December 2025), 2) Presumptive Eligibility Pilot Program, which will provide a window of up to 60 days for eligible families to complete the administrative

requirements of signing up for scholarships (January 2026–December 2027), and 3) Staff Training Requirements: ensuring district office staff are properly trained on program changes.

Target population: Working families at or below state median income

State funding: Relatively small increase of state funding

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Texas

\$100 million in state funding for child care scholarships. Approximately 95,000 families are on a waiting list for a child care scholarship. This is the first time the Legislature has provided state funding to complement the federal funding that goes towards these scholarships.

Target population: Families with low incomes who are eligible for a child care scholarship.

State funding: Relatively large increase of state funding

Quantify: \$100 million in state funding from unexpended TANF funds will give thousands of additional families an opportunity to secure high-quality child care for their children.

[Link](#)

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Vermont

The Legislature fully funded the components of Act 76, the 2023 historic child care law, and increased the rates paid by the state to child care programs through the state's child care tuition assistance program.

Target population: Act 76 allows families with accepted service needs earning up to 575% of the Federal Poverty Level (FPL) to qualify for support paying for child care, and it expands CCFAP to include families who are not U.S. citizens.

State funding: Relatively small increase of state funding

Quantify: A 5% increase in reimbursement rates for programs serving infants and toddlers.

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Zoning and Other Regulations for Child Care Homes or Centers

Maine

Legislation passed this year establishes that a child care facility or a family child care provider is a permitted use in a municipal area that is zoned for residential purposes, subject to the same requirements for other residential property.

Target population: Child care facilities and family child care providers

State funding: No change in state funding related to this win

Quantify: Maine, like other states across the country, has seen a decline in the number of family child care providers – from 1,029 in 2015 to 637 in 2024.

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Maryland

HB 785 ensures family child care is considered a residential and permitted activity. Steps cannot be taken to limit the number of children in care below the number authorized by the State's Office of Child Care and access to common elements of the community may not be restricted.

Target population: Family child care providers, families

State funding: No change in state funding related to this win

Quantify: The bill may result in a potential increase in family child care homes, which will provide more options for families seeking child care.

[Link](#)

Oklahoma

House Bill 1847 mandates that family and large child care homes adhere to the fire protection requirements outlined in the International Residential Code (IRC). The bill prohibits any state agency, municipality, county, or political subdivision from imposing stricter fire safety regulations than those specified in the IRC. This measure aims to standardize fire safety requirements across the state, potentially reducing operational barriers for home-based child care providers. HB1847 also empowers Oklahoma Human Services (OHS) to work collaboratively with the State Fire Marshal to develop fair, consistent fire safety standards tailored to family child care settings. The new law also prohibits local agencies from imposing requirements more stringent than those established by OHS for licensure. By reducing and eliminating duplicative barriers and red tape, HB1847 helps to build child care capacity.

Target population: Family Child Care Home Providers in Oklahoma, primarily in rural counties

State funding: No change in state funding related to this win

[Link](#)

Oregon

HB 3560 allows child care centers to operate in residential zones when co-located with certain institutions (like schools, churches, libraries) or high-density housing (like apartment complexes with 12+ units per acre). It ensures that local governments do not impose more restrictive regulations on child care centers than on other uses in commercial and industrial zones.

Target population: Home based providers

State funding: Relatively small increase of state funding

Quantify: The policy win is aimed at expanding access and flexibility for child care facilities. HB 3560 seeks balance with a modest expansion of viable locations that can be used for child care. It is yet unclear how many new slots will be created.

[Link](#)

Tennessee

SB1379 addressed aspects of child care regulation, by 1) allowing child care agencies to lease or purchase underutilized property from LEAs; 2) classifying a child care family home as residential property for certain purposes, including zoning and building codes; and 3) permitting a host-school's fire inspection and facilities to be sufficient for a child care agency's provisional license under the department of human services.

State funding: No change in state funding related to this win

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Constructing or Renovating Child Care Facilities

Arizona

New investment in child care construction projects aims to increase the number of quality child care facilities in rural and underserved communities. In addition to funds set aside for rural areas for the out-of-school grant program, \$1.5 million was also approved to build a child development center in the Town of Taylor, a rural community in northern Arizona.

Target population: Families in the Town of Taylor, where there are currently no formal child care options

State funding: Relatively small increase of state funding

Quantify: There are about 700 families in the Town of Taylor, and the investment of \$1.5 million would create the only formal child care in that area.

[Link](#)

Connecticut

A bond authorization passed to support the construction and renovation of child care facilities, continuing a project that started with ARPA funds.

Target population: The Office of Early Childhood has included priorities in its contract with LISC which prioritizes projects serving low-income children and areas defined as child care deserts.

State funding: Relatively large increase of state funding

Quantify: \$80 million in bonding authorization over the next seven years

Illinois

HR137 encourages the Department of Early Childhood (IDEC) to make capital concerns a priority and regularly survey all ECE construction/renovation needs (including community-based programs). It will also urge IDEC to distribute the available \$40 million remaining in ECCG funding.

Missouri

\$10 million grant for the expansion of existing child care facilities or the creation of new programs; requires a local community match.

State funding: No change in state funding related to this win

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Child Care for Child Care Providers

Oklahoma

House Bill 2778 established the Teacher Recruitment and Retention Program, aiming to alleviate child care costs for employees of licensed child care facilities. Eligible workers, based on household income thresholds, can receive subsidies to reduce or eliminate co-payments. This program, administered by the Oklahoma Partnership for School Readiness under the direction

of Oklahoma Human Services, is projected to cost \$11.5 million annually and is set to sunset on November 1, 2028.

Target population: Child care workers in Oklahoma

State funding: Relatively small increase of state funding

Quantify: The benefit is estimated to be worth up to \$12,000 per year.

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Rhode Island

The FY26 enacted budget extends the Child Care for Child Care Educators Program through July 2028. It was launched in August 2023 as a one year pilot and extended in 2024 for another year. It would have ended in July 2025 without this extension.

Target population: Improves child care staff recruitment and retention and helps to prevent closures of classrooms/programs. Helps families with children in licensed child care statewide. Helps early educators who are parents of young children access child care/early learning for their own children.

State funding: No change in state funding related to this win

Quantify: Continued approximately \$4 million in funding for pilot program. About half of all licensed child care centers and about 5% of all licensed family child care homes in the state have at least one staff member participating.

[Link budget bill](#)

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Texas

SB 462 helps recruit and retain more child care workers by adding income-eligible child care workers to the priority list for child care scholarships.

Target population: Child care workers with young children.

State funding: No change in state funding related to this win

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Child Care for Children with Special Needs

Florida

SB 1102 makes it easier for child care and early learning providers to qualify for and receive School Readiness program special needs differential funding, as well as for children to be approved for School Readiness disability accommodations in the first place. This policy allows for disability accommodations to be approved by either a licensed health care professional, mental health professional, or an educational psychologist and codified in either an Individualized Education Program or Individual Family Service Plan. The bill also creates new training requirements for providers receiving special needs funding in the form of training on social and communicative delays and inclusive practices. It will go into effect in 2027.

Target population: School Readiness program providers and children with special needs.

State funding: No change in state funding related to this win

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Maine

Legislation passed this year to require the Department of Health and Human Services, Office of Child and Family Services to enter into direct contracts with providers of child care to provide child care slots for children under three years of age, children with disabilities, and children in underserved geographic areas. The law authorizes the office to use direct contracts to provide child care slots for other categories of children based on priorities identified by the office.

Contracts can provide stability to child care providers, increase the quality of care for low-income children, and improve access to child care for particular populations of children.

Target population: Children under three years of age, children with disabilities, and children in underserved geographic areas. It also urges the Department to prioritize other populations that may include, but are not limited to, homeless children, children who are receiving services under the child welfare system, children who need care during nontraditional hours, children for whom English is a second language and other regional child care needs.

State funding: No change in state funding related to this win

Quantify: A goal of the legislation is to increase access to child care for those populations with high needs. For example, out of the 4,400 children who participate in the state's Child Care Affordability Program, only 140 of those children are infants. Maine's Child Care Affordability program supports families below 125% of SMI.

[Link](#)

[Blog](#)

Maryland

Maryland re-established a mandated appropriation for the Therapeutic Child Care Grant Program (TCCP), administered by the Maryland State Department of Education (MSDE). As a result, the Governor must include a \$3.7 million appropriation for the program in the annual budget bill from fiscal 2027 through 2029. The purpose of the program is to provide grants to providers that specialize in providing child care and early childhood education to children younger than age six who have developmental delays, physical disabilities, or delays in social, emotional, or behavioral functioning. Child care programs that would be covered under TCCP, which are also known as therapeutic nurseries, work with children birth to age five whose significant social and emotional challenges, among other possible factors, put them at high-risk for poor school and life outcomes.

Target population: Children birth to five in need of therapeutic child care environments to support their social emotional, physical, or developmental needs

State funding: Relatively small increase of state funding

Quantify: There are four therapeutic child care providers that will benefit. The average cost per pupil in Maryland's K-5 public schools is \$18,000. The average tuition for nonpublic special

education K-5 was approximately \$80,000. Thus, with each child successfully placed into a public-school kindergarten classroom, the school jurisdiction saves approximately \$62,000 for each year the child is not in non-public special education placement.

[Link](#)

Child Care Subsidy Programs

California

Providers who get subsidies for child care can continue to get reimbursed based on enrollment as opposed to attendance, through June 30, 2026.

Target population: The enrollment-based reimbursement will benefit all child care providers that receive subsidies from the state. Reimbursing child care providers based on enrollment instead of attendance will allow them to have predictable financial compensation, especially since they are still not being compensated for the true cost of care with the alternate single reimbursement rate and the increased cost of living.

State funding: No change in state funding related to this win

[Link](#)

Delaware

The state passed an expansion of the phase-out period for the child care subsidy program. Prior to this past session, the phase out was from 200% to 215% of FPL; the budget extends it to 300%. This policy allows families who enter at 200% of FPL (\$60,000 for a family of four) or below to stay until their income reaches 300% (\$90,000 for family of four). This will help support families as they continue to earn more, mitigate the benefits cliff, and bring the state in line with national best practice.

Target population: This policy did not specify one or more populations to benefit; however, it will support low-income families who are currently receiving child care subsidies.

State funding: No change in state funding related to this win

[Link](#)

[Blog](#)

Massachusetts

The state raised the care subsidy income eligibility threshold to 85% of state median income (SMI) and new departmental regulations took effect on Jan 1, 2026. This is the first time the state has raised the income eligibility threshold for all children past 50% SMI.

Target population: Families with incomes between 50-85% SMI. However, since the income eligible waitlist remains frozen, these families are not expected to benefit in the coming year.

State funding: No change in state funding related to this win

Quantify: In the short term, no new children will benefit from this policy as the income eligible access remains frozen. However, if funding would allow all families from 50-85% SMI to access care, then up to 50,000 new children could benefit from child care subsidies. A [2021 report](#) by Massachusetts Budget and Policy Center finds there are 46,100 under age five whose families are between 50-75% SMI.

[EEC Board meeting slides, pp 12-15](#)

[EEC Board meeting slides](#)

Missouri

The state invested \$107 million in the child care subsidy program, prioritizing paying for subsidy prospectively and based on enrollment and increasing the child care subsidy to reflect the 2024 market rate survey. Currently subsidy is based on the 2022 market rate survey.

Target population: Families making 150% FPL or less

State funding: No change in state funding related to this win

Quantify: This \$107 million investment brings the total spent on subsidy to \$287 million.

[Link](#)

[Story](#)

Wisconsin

The state budget increased the child care subsidy benefit amount for families.

Target population: Families at or below 200% FPL and child care providers that receive subsidy

State funding: No change in state funding related to this win

Quantify: Wisconsin Shares increased its subsidy benefit amount from covering the price of 41% of child care slots to covering the price of 75% of child-care slots, representing a 34-percentage-point jump. For families using the program, this translates to an average savings of about \$174 per month, or roughly \$2,100 per year. This increase not only makes child care more affordable for families but also helps stabilize providers who rely on subsidy payments.

[Link](#)

Increasing Access for Rural or Lower-Income Families

Missouri

The legislature renewed \$900k for the development and implementation of community plans to improve access to quality childcare and early education.

Target population: The language prioritizes rural communities

State funding: No change in state funding related to this win

[Link, 5.170 in HB 5](#)

[Blog](#)

Texas

HB 2294 allows local workforce development boards to pay Texas Rising Star Program childcare providers the maximum rate for their quality rating, even if the provider's listed rates are lower, as long as it does not lower the Texas Workforce Commission's goal for the average number of children served each day through subsidized child care in that area. This helps maintain childcare access for disadvantaged families by addressing the problem of high-quality providers in low-income areas who, limited by lower market rates, receive smaller reimbursements and risk shutting down.

Target population: This legislation is targeted to help child care providers who are charging their private pay parents lower than the state's reimbursement rates.

State funding: No change in state funding related to this win

[Link](#)

Expanding Access to Child Care through Vouchers

Indiana

House Bill 1001, which included funding for a variety of early care and learning activities, including \$147 million in "hold harmless" funding to ensure continuity for families currently receiving CCDF vouchers.

Target population: Families that receive funds for child care

State funding: Relatively large increase of state funding

Quantify: The hold harmless funding will allow all current recipients of CCDF to maintain their awards. Expansion of the program in the state had been funded through American Rescue Plan dollars and there was no longer term plan for sustainability. 30,000 kids were potentially at risk of losing CCDF without this investment. In addition, the budget bill included funding for the state's On My Way Pre-K program and other child care investments.

[Link](#)

Ohio

Ohio expanded access to child care by creating and growing the Child Care Choice Voucher program, which supports families earning 146%-200% of FPL who are working or in school and would otherwise qualify for Publicly Funded Child Care (PFCC) if not for earning slightly above the income cutoff (145% FPL). The state also strengthened PFCC by legislating: 1) enrollment-based payments for providers, replacing the attendance-based system that created financial instability for child care programs; and 2) a cap on family copays at 7% of household income by October 2026. Implementation of the enrollment-based payment structure and the 7% copay cap have been delayed to 2028 due to the need for additional federal guidance.

Target population: The policies have benefited low-income working families earning at or below 200% FPL and providers/programs caring for children who receive publicly funded child care.

State funding: Relatively small increase of state funding

Quantify: \$200 million in federal funds allocated to serve 20,000 more children or 12,500 more working families in the Child Care Choice voucher program. Nearly \$90 million in federal funds allocated to support enrollment-based payment and family copay reduction.

[Link](#)

[Blog](#)

Preserving Language and Culture within Child Care Programs

Montana

SB 182 strengthens the state's commitment to preserving American Indian cultural integrity by offering increased flexibility for educational partnerships providing Indian language preservation programs, including with early learning providers. This is a continuation from last legislative session, when HB 287 expanded the Montana Indian Language Preservation (MILP) program to

allow school districts to partner with Tribes, including child care programs, to help preserve and perpetuate Indian languages.

Target population: Tribal communities, families and children, and child care providers

State funding: No change in state funding related to this win

[Link](#)

[Story](#)

Eliminating Excessive Fees for Families

Colorado

SB25-004 limits child care waitlist and application fees for families and requires the deposited fee to be applied to tuition. It also requires all child care providers to proactively and clearly post all fees charged above tuition. The bill allows providers to cover the administrative costs of maintaining wait lists and processing applications while still reducing additional barriers for families accessing childcare. The bill will also give parents clearer information on costs when navigating the childcare selection process.

Target population: Families accessing childcare centers for care.

State funding: No change in state funding related to this win

Quantify: There are an estimated 384,000 children under age five, and 64% of them have all available parents in the workforce. The average cost of infant care in Colorado is just under \$20,000 per year.

[Link](#)

[Story](#)

Improved Data Systems

Delaware

An additional \$1.7 million was invested for data systems at the Department of Education to create an online professional registry and move child care licensing to electronic/online.

State funding: Relatively small increase of state funding

[Link](#)

Requiring Universities to Connect Students to Child Care

California

SB 271 requires colleges and universities to connect student-parents to local childcare and family support resources.

Target population: Student parents

State funding: No change in state funding related to this win

Quantify: 400,000 student parents in California's colleges and universities

[Link](#)

[Story](#)

Enacting Multi-Year Contracting for Providers

New Jersey

S4476/A5780 authorizes three-year contracts between school districts and community-based child care providers, replacing the previous one-year agreements that created annual uncertainty. This multi-year contracting structure strengthens the stability and partnership potential of community child care providers, enabling providers to plan more effectively, make necessary facility upgrades, and invest in program quality without fear of sudden discontinuation.

Target population: The policy explicitly benefits community-based child care providers, who have historically faced financial instability and operational uncertainty due to year-to-year contracting with school districts. The policy also benefits preschool-aged children and their families, who rely on stable, high-quality early learning options within their communities. Strengthening provider stability helps preserve access to diverse early education settings and supports a stronger mixed-delivery system statewide.

State funding: No change in state funding related to this win

[Link](#)

[Blog](#)

Expanding Access through Tri-Share Programs

Ohio

The Ohio Child Care Cred is a one-year, \$10 million investment to make child care more affordable for working families and help employers strengthen their workforce. Modeled after Tri-Share programs in other states, the Child Care Cred uses a 40/40/20 cost-share model: employers pay 40%, families pay 40%, and the state contributes the remaining 20%. This shared-responsibility approach lowers child care expenses for families while giving employers a practical tool to improve recruitment, retention, and employee reliability.

Target population: The program serves working families earning between 200%-400% FPL who fall into a growing affordability gap—they earn too much to qualify for Publicly Funded Child Care (PFCC) and too much for the Child Care Choice Voucher Program, yet still face significant child care costs. For these working families, even small changes in child care expenses can determine whether they stay in the workforce, reduce hours, or turn down job opportunities. The program also benefits employers across industries, including child care providers who may utilize it to support the cost of child care for their own employees.

State funding: No change in state funding related to this win

Quantify: \$10 million in state funds

[Link](#)

[Blog](#)

Missouri

The legislature approved \$5 million for a child care cost share program, in which the state, the employer, and the employee all contribute to the cost of child care. The legislation requires that funds can only serve families without access to the state's existing child care subsidy. The program must prioritize families with the lowest household incomes, areas designated as child care deserts, and infant and toddler care. The state subsidy is capped at 40% of the Office of Childhood's child care subsidy rate. Employers or communities must contribute at least 30% of the cost of care. At least 95% of funds must directly subsidize child care.

Target population: Families making more than 150% FPL who do not qualify for child care subsidy

State funding: Relatively small increase of state funding

Quantify: The goal is to serve at least 150 children, 30 providers, and 20 employers in at least six communities.

[Link, 5.170 in HB 5](#)