

2025 Progress Across 50 States and DC: State Policy Wins in Direct Income Supports

Baby Bonds for TANF Recipients

Rhode Island

In 2025, the General Assembly authorized the State Treasurer to create a baby bond program for infants born to parents participating in the RI Works/TANF cash assistance program. The baby bond program was not funded in the state budget but would be funded as the Treasurer's office is able to secure resources. The conditions for the funding were outlined in state law. Babies who have funds deposited into the account (projected at \$3,000) to be invested and managed by the RI General Treasurer can claim their funds when they are 18-35 in a one-time payment, but only if they have been living in RI for the previous two years before the claim. Funds withdrawn may be used for four purposes: 1) Continuing education at an institution of higher learning, trade school, vocational school, or professional apprenticeship program in Rhode Island, 2) Purchasing a home in Rhode Island, 3) Creating/opening a business with its principal place of business in Rhode Island, 4) Any investment in financial assets or personal capital that provides long-term gains to wages and wealth.

Target population: Once this program is funded and launched, some young adults ages 18-30 would be able to receive a one-time cash payment.

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

Quantify: This program is not funded but was authorized to be implemented by the Treasurer if he can secure private/philanthropic funds. They are estimating 150 babies are born each year to families receiving TANF and the cost would be \$450,000 per year.

[Link](#)

Increased Minimum Wage

Rhode Island

Enacted legislation increased the state minimum wage from the current \$15/hour to \$16/hour starting January 2026, and \$17/hour starting in January 2027.

Target population: Low-wage workers, about 33% of whom are parents

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

Quantify: This will benefit approximately 18,000 children under age six in Rhode Island. National estimates indicate that about 33% of low-wage workers are parents. In Rhode Island, 74% of children under age six have both parents in the workforce.

[Link](#)

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Cash for Moms and Babies

Michigan

The RxKids cash prescription program was expanded. The program was fully funded with \$20 million in TANF funding continued in the current fiscal year and an additional \$250 million in general fund dollars committed for the next three fiscal years to expand to additional communities. RxKids is a public-private partnership where state dollars and allocation of federal TANF dollars are matched with local and philanthropic investments.

Target population: Rx Kids provides direct cash prescriptions—\$1,500 during pregnancy and \$500 per month for babies’ first 6 or 12 months (length of benefit depends on local/philanthropic commitment)—to all moms and babies who reside in specific high need communities. The universal and hassle-free process has resulted in nearly 100% participation rates with families also increasing utilization of other early childhood services and supports they may be eligible to receive.

State funding: Relatively large increase of state funding

Quantify: Since its launch, Rx Kids has partnered with dozens of funders to deliver over \$20 million in cash to more than 4,400 families across 20 Michigan communities, improving birth outcomes and healthcare utilization, reducing financial stress, strengthening local economies, and improving civic engagement and voter turnout.

[Link](#)

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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.

Jason Sabo
sabo@fronterastrategy.com

Lisa Kerber, PhD
kerber@fronterastrategy.com

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