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Where States Are Innovating on Childcare

Lessons for a National Universal Childcare Policy

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About the Author

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Introduction: What States Can Teach Us About Universal Childcare

The US ranks 40th out of 41 comparably wealthy nations in offering accessible, affordable, and quality childcare. Childcare is essential infrastructure; it not only allows parents to work, attend school, and gain financial stability, but it is also a necessary building block of healthy child development. Lack of public funding for childcare has left American families on their own to navigate a mostly private system, leaving many families either cost-burdened by childcare or struggling to access it at all. Decades of federal inaction have stymied the system.

The US needs a national public option for universal childcare. There are multiple definitions of "universal childcare," but this brief uses the term to mean a system where all children and families have access to free or affordable (with a nominal base fee), high-quality, publicly funded childcare where they live. In such a system, childcare providers would also receive thriving wages and benefits.

Since the COVID-19 pandemic, public recognition of the essential role of childcare and childcare workers in the economy has been growing. States and localities have been stepping up where the federal government has failed to expand the boundaries of what is possible in publicly financed childcare.

Increasingly, federal policymakers are indicating interest in higher federal investments in childcare. When making these investments and implementing new childcare programs, policymakers should learn lessons from states about implementation, governance, and stakeholder engagement.

This brief draws three overarching conclusions from state innovations in childcare:

1. States have shown that expanding access to affordable, public, high-quality childcare is possible in the US.
2. Expanding public childcare systems to be accessible and affordable requires improving compensation for the childcare workforce. Without workforce investments, supply will not meet demand.
3. A small group of states is leading the way, but to give every child in America the access and opportunity they deserve, it is time for the federal government to provide significant investments to make public, universal childcare a sustainable reality across the entire country.

This brief highlights interviews with state leaders and implementers and lessons from promising emerging childcare policy in three states: Connecticut, New Mexico, and Vermont. These were selected using the framework outlined in a 2025 report from the

Roosevelt Institute and Community Change, which identified seven core principles for a universal public childcare policy. For this brief, I used those principles to assess states' progress toward universal public systems. The three selected states offer important lessons on expanding public access to affordable childcare.

For public, affordable, high-quality childcare to be available to all, stable, long-term public funding is necessary—and this means federal investment. States can and must attempt to fill in the gaps in federal funding for childcare, but this is very costly. States cannot deficit spend, and they have a widely varied ability to raise revenue and capacity for implementation—not to mention a broad range of political will for making new public investments in social programs. Across states, this creates vast inequities: In FY 2026, state investments in early childhood education ranged from less than $500 per child under five to more than $5,000 per child.

All states in this brief have made significant efforts to make childcare more affordable for families, primarily through expanding eligibility limits so more families can access subsidized care. Another major throughline in all states highlighted here is their efforts to improve compensation for the childcare workforce parallel to their affordability measures. The states have made significant progress, but federal funding would make it much more possible for these states to maintain investments in both of these efforts, and for other states to join them. Parents can't pay more, and providers can't afford to make a dollar less—childcare workers already receive poverty wages, which leads to high turnover and massive workforce shortages that translate to childcare shortages. This classic market failure demands government intervention. The states in this brief have done just that through increased reimbursement rates for subsidies, direct wage supplementation (either permanently or as a temporary stabilization strategy), or a combination. As a result, they have started to see progress in increasing the supply of childcare programs alongside increased access to subsidized care.

These states' progress expanding public childcare has been significant in recent years. This means we have more real-world examples of the successes and challenges of US public childcare expansion and implementation than ever before. A federal universal childcare policy should take lessons learned from state policy innovations and leverage local wisdom and infrastructure to successfully implement a national system for all children and families.

50-State Scan and Methodology

To land on guiding principles for universal public childcare in our 2025 report, the Roosevelt Institute and Community Change spent a year speaking to parents, childcare providers, advocates, and grassroots organizers. That process identified the following essential qualities for a just, equitable, universal system:

A Vision for Universal Public Childcare

1 Affordable

Free (or a standard, nominal fee) for all families, without means testing.

2 Universal

Guaranteed access for all and outreach to high-need communities.

3 Coordinated and Streamlined

Federally administered with local implementation. Funding goes directly to public and nonprofit providers.

4 A Thriving, Diverse Workforce

Thriving wages for all providers. The right to worker organizing and collective bargaining.

5 Inclusive and Culturally Competent

Cultural and linguistic diversity. Integrated, high-quality services for children with disabilities.

6 Safe and High-Quality

Low staff-child ratios. Child-centered quality measurement built with parent, family, and provider input.

7 A "Just Transition"

A plan to transition the current workforce into the universal system fairly and without disruptions.

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This brief uses those principles to investigate how states are operationalizing, implementing, and/or making progress toward an expanded public childcare system. The states with policies that embody the most principles were selected as the focus of this brief—Connecticut, New Mexico, and Vermont.

Our 50-state scan shows that as of this writing, 15 states have expanded subsidies beyond the federal threshold (at or above 85 percent of the state median income), 11 states have made collective bargaining agreements with providers that take subsidies, and 17 states have consolidated multiple state entities into dedicated departments or agencies for early childhood programs. Even among the many states that have very few other policies or investments to address childcare beyond federally funded programs, states are taking childcare workforce compensation seriously: 28 states have made at least a partial state-level effort to increase childcare provider compensation, such as through a pilot program, a local initiative, or one-time bonuses. A handful of states that invest little state funding in their early childhood education systems in general have begun to offer providers access to childcare subsidies for their own children, regardless of income.

This brief narrows our analysis to focus on five of the seven principles:

1. Affordable and Accessible
2. Coordinated and Streamlined
3. A Thriving, Diverse Workforce
4. Inclusive and Culturally Competent
5. A "Just Transition"[1]

We did not consider universality because only one state, New Mexico, has officially made the move to universal childcare. We also explore accessibility—how easy or difficult it is for families to access care—more thoroughly in this brief, because of how few states have fully universal access. Regarding the Safe and High-Quality principle, the states examined in this brief have similar enough approaches that an in-depth comparison was not useful. All three states use quality rating and improvement systems structured around quality measurements such as equitable access, holistic child

[1] Our 2025 report outlined a "just transition" for the current workforce, which means paying particular attention to the impact of public childcare policy on the existing providers, who are critical assets in their communities. The framework is borrowed from the climate movement, which refers to a "just transition" as a strategy to ensure that no one (particularly workers) gets left behind in the transition to lower-carbon and environmentally sustainable economies. In the ECE context, this framework proposes a public childcare system that would attract enough workers to staff the universal programs—not only by offering current *and* future providers the workplace dignity, thriving wages, and benefits they deserve, but by making real efforts to support existing small private providers' transition into a new or expanded system.

development, continuous program improvement, data-driven systemic support, and family-centered engagement.[2]

Because this brief examines what it can look like to implement these ideas through state-level public policy, we conducted interviews with staff at state early childhood education (ECE) agencies and departments. Interviewees discussed their successes, challenges, implementation strategies, and reflections on what they have learned that could inform a national public childcare system. This brief also uses local news coverage, state government public resources, and other gray literature to determine takeaways from these state lessons for federal policy designers.

State Examples

Connecticut

Connecticut's Early Childhood Education Endowment was launched in 2025 to help expand funding for the state's early care and education programs and initiatives, like Early Start CT and Smart Start. By funding these programs, the endowment will help pay for free or lower-cost childcare for more families in state-funded programs; build new childcare facilities and improve existing ones; improve program quality and system infrastructure; fund higher payments to programs and higher wages for teachers; offer professional development, technical assistance, and scholarships for early education providers; and conduct research to improve health insurance options for early childhood workers. Many of these benefits will roll out over the next few years as the endowment builds up its reserves – with the goal to offer free or lower-cost childcare for far more families in state-funded childcare starting in July 2027. The endowment had an initial deposit of $300 million of state surplus funding, and in June 2026, Governor Ned Lamont announced an additional investment of approximately $320 million through the state budget. A portion of the endowment's funding goes directly to Connecticut Office of Early Childhood (OEC) programs each year—in 2025, this was $36 million. The remainder will be invested by the state treasurer.

As of 2025, Connecticut had a coverage rate (the number of licensed childcare slots compared to the number of children under five needing care) of 67 percent, with a 34.4 percent gap in care.

[2] States measure childcare quality mainly through quality rating and improvement systems (QRIS). For more on QRIS, see the Quality Compendium, ChildCare.gov, and the NAEYC QRIS Toolkit. There is also an ongoing conversation about increasing equity in the current quality measurement system, which researchers at the Urban Institute and New America, among many others, have written about. The interviewees in our 2025 report also spoke to their lived experience on this issue.

The Guiding Principles in Connecticut

Affordable and Accessible

Free or lower-cost childcare will be available for far more families in state-funded childcare starting in July 2027. A slate of 2025 legislative commitments kick-started the policy process and laid a foundation for spending the endowment funding. OEC interviewees Commissioner Elena Trueworthy, Communications and Legislative Program Manager Maggie Adair, and Director of Systems and Policy Planning Kristen Dudanowicz said that this legislation has already led to positive impacts on access and affordability.

Subsidized care: By 2027, the state plans to provide free childcare for families with incomes under $100,000 and subsidize care on a sliding scale for families who make more than that, with family fees capped at 7 percent of household income. When fully implemented, this will be incredibly impactful on childcare affordability: Currently, the average Connecticut parent spends 16 to 27 percent of their income on childcare. This expanded access will roll out over the next few years as the endowment's resources build up. The state's goal is to create 16,000 new childcare spaces by 2030, with 35 percent of these slots designated for infants and toddlers.

Capital building: To encourage accessibility as they move towards the 2027 goal, Connecticut is investing in capital supply building. Public Act 25-174 allocated $80 million in bonds to support ECE program-building efforts, and includes language about renovating and expanding existing program sites as well as building new sites. The bill prioritizes areas of the state that are designated childcare deserts.

Needs assessments: The state's hyper-local needs assessment plans should also help ensure childcare access. The state's Local Governance Partners (LGPs) convene meetings where community partners, providers, and parents give feedback on gaps, strengths, and areas for improvement. These LGPs are required to complete a local needs assessment to build a holistic understanding of the early childhood landscape in their community, designed to identify strengths, gaps, and needs in early childhood services and family well-being. The findings will be used to set priorities and goals for each local community, and support an ongoing cycle of updating priorities as local and regional needs change. They will also inform Early Start CT planning and applications by ensuring that the state is aware of the needs of families and providers at the local level.

Coordinated and Streamlined

OEC: Since 2013, the OEC has operated as a cabinet-level agency that reports directly to the governor. It acts as the lead agency for early care and education, workforce development, program quality and improvement, childcare licensing, home visiting, and early intervention for children with developmental delays. It combined early childhood programs that were previously spread out among five distinct agencies. OEC's mission statement says it aims to "ensure fair access to OEC resources to all Connecticut families." OEC interviewees credited this governance structure as a major asset to initial success and crucial to continued implementation of the 2025 childcare legislation and funding.

Streamlined programs: In 2025, Early Start CT streamlined three preexisting programs —Child Day Care Contracts, School Readiness Grants, and State Head Start Supplement Grants—into one coordinated program. This aligned eligibility requirements and standardized a family co-pay scale.

Single portal: Public Act 25-82 required OEC to create a single point-of-entry portal for early childhood services for families and providers, which will decrease the undue administrative burden that is particularly high for childcare providers and families using subsidized care.

A Thriving Workforce

Higher provider payments and wages: In 2025 and 2026, the state increased provider payment rates by 8 percent for all Early Start CT providers. This applied to infant/toddler, preschool, and school-age full-day spaces.[3] Early Start CT programs can then apply the increased payment rates to raise staff wages. Even before this, in 2022 and 2023 Connecticut implemented the Wage Supports for Early Childhood Educators program, which gave out bonuses to childcare providers from state funding.

Professional development: The endowment also funds scholarships to help cover the cost of education and training for early childhood educators. It also funds ongoing training, technical assistance, and professional development. A funded health insurance subsidy pilot program for early childhood educators will be launched in FY27. Connecticut's provider apprenticeship program—launched in 2023 and targeting home-based providers—allows students to receive a Child Development Associate credential.

The OEC's goal is to start implementing some of these workforce support strategies even before expanding access to subsidized care. As Commissioner Trueworthy put it, "Workforce ended up being front and center in our strategy and planning because we heard this from the field so strongly that we couldn't expand the system without addressing the needs of the workforce first."

[3] Annual per-space rates increased by $1,080 for infant/toddler full-day spaces (from $13,500 to $14,580), $840 for preschool full-day spaces (from $10,500 to $11,340), and $339 for school-age full-day spaces (from $4,125 to $4,464).

Inclusive and Culturally Competent

Income and age: Early Start CT made two important efforts to ensure its rollout would be inclusive of high-need populations: It mandated that 60 percent of families that are enrolled in Early Start CT must have an income at or below 75 percent of the state median income level. The state also aims to ensure that 35 percent of new slots are infant-toddler slots. (This age group faces higher shortages of care than others, due to higher costs of operation.)

Provider training: OEC's CT Core Knowledge and Competency Framework requires early childhood providers to demonstrate skills responding to family diversity, including race, socioeconomic status, religion, ability, and home language. Connecticut's provider apprenticeship program also has a stated goal to increase language offerings in childcare slots to increase culturally and linguistically competent childcare programs.

Expanded special education: The investment in childcare expansion included a $10 million grant to create better special-education programming in some districts with shortages so that families don't have to travel long distances for inclusive care. It also created an educational ombudsman who will help mediate accessibility issues with families.

Community engagement: Community engagement is critical to creating inclusive childcare systems that will be truly responsive to community needs—whether related to cultural context, language needs, the needs of disabled children, geographic needs, and more. There are two community engagement cabinets at OEC: the Early Childhood Cabinet (a coalition whose members are from the provider community, advocacy community, government, higher education, and nonprofit and community organizations) and the Parent Cabinet (a 15-member parent-led group). Interviewees said the cabinets have provided continuous feedback on how the new funding and programs should be implemented, which has contributed to significant community buy-in for the expanded public program.

Design feedback: To ensure inclusion in the single-entry childhood services portal, OEC is conducting listening sessions with families and providers to inform the portal's design and ensure that it will be easy to use for the actual people who will use it.

A Just Transition

Family childcare networks: OEC interviewees identified their engagement with Family Childcare Provider Networks as a supply-building strategy. These networks bring together family childcare programs to share resources and information, including quality improvement services, technical assistance, training, peer support, and small business support—usually administered by paid staff. In Roosevelt's earlier interviews, community stakeholders identified these networks as an inroad to successfully bringing family childcare providers into a new public system.

Support for home providers: Another major transition strategy is supporting the capacity of the family childcare provider sector. Connecticut is doing so through a pilot program to allow the OEC to issue "large family child care home endorsements" to 30 currently licensed providers in each of the next four fiscal years. This approval allows a licensed home childcare provider to care for more children than the previous standard capacity, after they meet additional requirements.

Trust building: Providers are opting in to become part of the new state-funded program. OEC interviewees attributed this to years of building relationships and trust in the field, saying this would have been unheard-of 15 years ago. The Early Childhood Cabinet contributed to this. Interviewees at OEC also noted the importance of a 10-month-long, deliberate, intensive stakeholder engagement process in which agency staff conducted deep listening tours of the field. Feedback from this process was part of the reason the state prioritized shoring up the workforce to prepare it for increased demand.

Key Challenges and Progress

Supply challenges: Though the entirety of Connecticut's childcare expansion will not go into full effect until 2027, interviewees identified what some early challenges have been. Like most states, Connecticut's biggest challenge will be building up supply to meet the increased eligibility for subsidized childcare. OEC will need to continue to increase supply as it increases access over the next few years. OEC interviewees said that despite inroads—especially the Large Family Child Care Home Endorsement pilot, which they hope could expand—there is still a major need for more licensed programs and slots. Early Start CT's last request for childcare program applications received so many applicants that they could only fund 10 to 12 percent of them—which both identifies a high demand for the public system and shows the limits of state funding.

A comprehensive survey by the University of Connecticut of 3,719 parents and caregivers across the state reveals the scope of the supply issues. Researchers found that 53 percent of respondents believe childcare is too expensive; 30 percent said they were actively searching for childcare, on a waiting list, or both; and 35 percent reported that their current childcare arrangement does not fully meet their family's needs. The survey is expected to be repeated every two years and should measure the progress of the endowment and OEC's subsequent plans.

Progress: The beginning of the rollout has seen early successes—in its first six months, the endowment enabled an 8 percent increase in provider reimbursement rates and expanded preschool classrooms. The state also received applications for 1,039 new to state funding childcare slots, of which an estimated 1,007 were full-time. This early supply-building will be critical for the success of the rollout of more broadly free and capped childcare.

Lessons Learned and State Recommendations

I asked the OEC interviewees about strategies that they've found effective so far and that a national policy for universal childcare should consider. They suggested that federal policymakers implement robust local community engagement strategies and be transparent about how they will use local feedback. Trueworthy cited as the biggest lesson that even with new funding, it takes time to build trust with communities to ensure effective implementation. The community listening sessions and the yearlong listening tour have been integral to the initial rollout of Early Start CT and other pieces of Connecticut's childcare efforts.

Interviewees emphasized the importance of investing in infant and toddler slots at the true cost of care (across the country, infant and toddler care is more expensive to provide than care for older children because of the adult-child ratio requirements, and providers often operate with less money coming in than it takes to actually provide this care, leading to shortages). OEC staff also noted that federal policymakers need to consider how to integrate younger children's care with existing pre-K and 3-K funding and programs—a critical point, given that more states than ever are expanding preschool access. When building out Early Start CT, Connecticut learned they needed to partner very closely with the state's Department of Education, which serves a big portion of the pre-K population.

The interviewees see further supply challenges on the horizon as a result of the aging childcare workforce. As a result, they propose that federal lawmakers invest in partnerships with higher education to build pipelines to get younger workers into the ECE field.

Finally, interviewees suggested federal policymakers consider how a national universal childcare bill would interact with and connect to existing state systems. Any federal policy should allow states to continue what is already working.

New Mexico

New Mexico recently made history by becoming the first state in the country to offer free universal childcare. All families with parents who are working or in school are now eligible for publicly subsidized care, no matter their income. The victory was a result of years of organizing by childcare providers, families, and grassroots organizations like Olé, a member-led nonprofit organization in the state that organizes for universal childcare and other workers' rights issues. The issue was also a priority of current Governor Michelle Lujan Grisham.

Much of the funding for universal childcare in New Mexico comes from taxes and from royalties on oil and gas production that are invested in a set of permanent funds. These funds invest in the global market, which means the fund balances should grow over time. The Land Grant Permanent Fund, a $33 billion fund from oil and gas revenue, pays 0.75 percent of its total to the state's childcare programs each year—about $248 million. In addition, in 2020 the state created a permanent endowment fund for childcare—the Early Childhood Trust Fund, a now $10 billion endowment designed to ensure long-term stability—using surplus funding from COVID-era federal dollars as well as oil profits. This fund provides about $500 million each year to the New Mexico Early Childhood Education and Care Department (ECECD).

Though New Mexico's full expansion to universal eligibility is in its early stages, the state has been steadily expanding and improving its public childcare system since 2020 and can provide lessons learned from the past six years as well as the last 10 months of universal eligibility.

From 2025 data predating universal eligibility, New Mexico had a coverage rate of 85 percent, with a 15 percent gap in care, the highest coverage rate and lowest coverage gap of the states discussed in this brief.

The Guiding Principles in New Mexico

Affordable and Accessible

Universal eligibility: After expanding subsidy access to 200 percent of the federal poverty line (FPL) in 2021 and then to 400 percent in 2022, in 2025 Governor Lujan Grisham announced that the state would make publicly subsidized childcare eligibility completely universal. New Mexico estimates that by removing the income cap in November 2025, approximately 12,000 additional children became eligible for childcare assistance (on top of the already eligible 27,000).

Capital Investment: To address accessibility, the state set aside another pot of dedicated funding as part of the Child Care Facility Revolving Loan Fund to construct, expand, and renovate childcare facilities. S.B. 96 streamlined zoning for childcare centers by barring local authorities from imposing additional regulations and requirements on home-based providers or collecting taxes and fees for owning such a home. The state's investments in workforce compensation (outlined later in this brief) have also already started to improve access to care.

Coordinated and Streamlined

ECECD: New Mexico state stakeholders I interviewed said the state's centralized and coordinated governance structures were integral to the universal childcare program. The New Mexico Early Childhood Education and Care Department (ECECD) houses the entire spectrum of prenatal-to-five programs, including state-funded preschool. ECECD Cabinet Secretary Elizabeth Groginsky cited the creation of the coordinated department as a key part of the state's ability to expand to universal eligibility. This coordinated structure greatly aided the innovative community engagement, outreach, and uptake successes outlined in this section.

Coordination with K-12: Mariana Padilla, secretary of the Public Education Department, also noted the importance of the state's ability to work across other agencies—like hers, which focuses on the K-12 system—to roll out their universal childcare program.

A Thriving Workforce

Wage increases: Through the combined efforts of providers, parents, organizers, advocates, legislators, and lead agency staff, New Mexico has made a variety of successful efforts to improve the conditions and capacity of the childcare workforce. These include payment rate increases, wage supplements, pay parity for pre-K educators and infant/toddler teachers, scholarships for credentials and degrees, and incentives for providers to offer higher wages. Median wages for childcare workers in New Mexico grew by 65 percent between 2019 and 2024, the steepest growth rate of childcare wages in the country.

Wage incentives: Pandemic-era provider workforce investments—initially made possible through the American Rescue Plan's federal childcare stabilization grant funding—were made permanent. This allowed New Mexico to set incentives for higher wages: Programs will earn additional funding if they pay all entry-level staff at least $18 to $21 per hour.

Wage supplements for education: ECECD runs a wage supplement program that offers education-based supplemental wages to early childhood providers who work in a state licensed or registered home childcare program, Head Start or Early Head Start Program, or New Mexico PreK classroom in a community-based setting. The program includes 10 incremental levels; the more education a provider attains, the higher the wage supplement they can receive. Participating providers are required to complete five credit hours in early childhood education courses, which are available to providers who work a minimum of 20 hours a week and earn $16 or less per hour. The wage supplements are issued twice yearly to approved applicants.

Higher education pipeline: Interviewees also said that partnerships with higher education have been helpful for continuing to build out a pipeline of workers for the childcare field, through scholarships, wage supplements tied to certifications, and mentor networks. One example is the Early Childhood Educator Student Success Grant, in which ECECD provides funds to colleges and universities to disburse stipends to students pursuing early childhood degrees. Overall, ECECD planned to allocate $6.5 million a year to higher education grants and supports for early childhood educators between FY 2023 and FY 2027.

Inclusive and Culturally Competent

Family leadership and needs assessments: ECECD plans to center family engagement and leadership in its childcare rollout by funding the New Mexico Family Leadership Council, which aims to empower families to be advocates for birth-to-five policies and programs. Additionally, both of the state's major strategic plans for childcare (2021–24 and 2022–27) were heavily based on needs assessments that set out to determine the social and economic well-being of families and providers. The assessments prioritized stakeholder input, with a focus on underrepresented and vulnerable communities.

Cultural and linguistic practices: New Mexico has worked to increase cultural and linguistic competence in its childcare system. Since 2019, New Mexico has had professional learning cohorts for childcare providers that focus on equitable, culturally responsive, and linguistically appropriate teaching practices. These cohorts are run through a partnership with WIDA Early Years, an organization that works to advance language development and academic achievement for culturally and linguistically diverse children.

Tribal engagement: New Mexico's state childcare system also allows Nations, Pueblos, and Tribes to dedicate their state childcare assistance funding toward culturally grounded care and Tribal language immersion programs. The state system has also used philanthropic funding to create cohorts of Native American educators to ensure a culturally competent workforce to meet the state's diverse needs. Secretary Padilla highlighted their commitment to ensuring that the childcare system is co-governed with tribal leaders: In FY23, ECECD, in partnership with the state's 23 Nations, Pueblos, and Tribes, founded the New Mexico Early Childhood Tribal Advisory Coalition. The coalition's stated goal is "to create a channel for regular communication and engagement with New Mexico's tribal communities" and "highlight the distinct and unique American Indian cultures and languages across the state."

Children with disabilities: In federal data, New Mexico ranks first in the nation for identifying and enrolling babies from birth to 12 months with developmental delays and disabilities, and second in the nation for children ages 1-2. Responses to a 2026 ECECD survey showed that almost four in five providers (77 percent) said their program was currently serving children with developmental delays or disabilities.

Community Engagement: For a full year, agency employees traveled all over the state to convene and listen to community stakeholders, including parents, families, and other community members. Local "road shows" are still ongoing. They have also funded or supported a variety of leadership councils, including the Family Leadership Council, local family leadership councils to build coalitions at the local level, and collaboration with family advocacy groups like Parents Reaching Out, Education for Parents of Indigenous Children with Special Needs, and Navajo Family Voices.

A Just Transition

Growth: New Mexico's childcare workforce grew 64 percent between 2019 and 2024, a period of time that saw a national decline in that workforce. The state attributes that increase to the improved rates and wages for childcare providers.

Wage and career ladder: In 2026, the state legislature allocated $60 million in state funding to implement an early educator wage and career ladder (structured as $10 million per year). The state's community organizers, providers, and advocates fought long and hard for this program: Early versions of the universal childcare bill lacked the wage and career ladder provisions, leading to rallies outside the state capitol and other advocacy efforts that ultimately led to success. The funding aims to help implement the wage scale with increased base pay for educators, as well as possible pay increases throughout a provider's career based on their experience and education.

Workforce Support: Other initiatives have also helped the state bring providers into the newly expanded public system, including capital funds for renovating and constructing facilities and investments and outreach to build friend, family, and neighbor (FFN) and family childcare provider pipelines. Recent rulemaking has also tried to incentivize licensure, by paying registered providers higher rates (a 76 percent increase from the FY25 rate) and eliminating the registration fee.

Stakeholder Engagement: New Mexico lead agency interviewees identified that their stakeholder engagement work has been a key part of their early success growing the workforce. Interviewees said that engaging providers in these conversations along the way has been incredibly helpful in ensuring that existing providers are a critical and central part of the new universal system.

Key Challenges and Progress

Workforce and wage challenges: The state has made significant strides toward increased workforce capacity, though more is needed. The ECECD estimates the state needs at least 5,000 new ECE professionals to meet the need for childcare, and the ECECD 2026 needs assessment names the importance of continuing to invest in "a thriving, fully staffed early childhood workforce" by continuing to increase pay and the supply of qualified providers. Though New Mexico has invested in significantly higher rates and wages for childcare providers, the 2026 needs assessment revealed that some providers still feel their pay does not reflect their qualifications, skills, or experience, particularly early interventionists, home visitors, and lead teachers. Indeed, $18 an hour is still below the roughly $21 per hour the MIT Living Wage Calculator estimates that a single adult without children needs to meet their expenses in New Mexico. And it is far below what adults with children need—two adults with one child, for example (with one adult working), need $36.63 an hour.

Infant and toddler care challenges: Like in other states, finding infant and toddler care is still a challenge in New Mexico. There has been progress: Before 2025, infants and toddlers made up 29 percent of the state's public childcare slots; they make up 36 percent of new enrollments under the new eligibility guidelines. But families still struggle to find childcare for their younger children, a gap identified in ECECD's 2026 needs assessment as well. To address this challenge, ECECD released an RFP in December 2025 for an Infant and Toddler Contracted Slots Pilot Program with the goal of creating more dedicated infant and toddler slots for families that have incomes below 200 percent FPL or children with disabilities. To incentivize participation in the pilot, funding was guaranteed for the awarded slots, and each slot was reimbursed at a higher rate than other programs.

Supply challenges: New Mexico added 1,346 new childcare slots between December 2025 and April 2026. But because of New Mexico's ambitious universal eligibility, there is much more demand for publicly funded slots—the state remains short by 15,000 seats statewide for children under six. Interviewees noted that continuing to grow the workforce will have to continue to be a top priority of the state via investing in technical assistance and higher education pipelines, as well as ongoing travel into communities with trusted partners to help existing FFN caregivers get licensed. They noted that the growth in supply they've seen so far shows that their current workforce strategies are the right tools—they just take time, investment, and prioritization.

Progress: New Mexico has made significant progress on its universal childcare implementation in a relatively short time. The ECECD reports that childcare usage increased from 51 to 72 percent between 2022 and 2024. Early evidence from the state suggests that wages, employment, and degree attainment have increased in the childcare workforce since many of the state's workforce-supporting policies were implemented. In 2026, providers reported higher levels of satisfaction with their wages than they did in a 2019 state community assessment. The state is seeing early indications of success that will likely continue as they keep prioritizing workforce supply-building.

Lessons Learned and State Recommendations

Secretary Groginsky said that robust federal support and investment are needed for states to expand public childcare, particularly considering the amount of public funding needed to support the high cost of infant and toddler care. She noted how pandemic-era stabilization funds clearly showed the country the immense benefit of federal investments to stabilize and grow state childcare supply. She also noted nonmonetary ways a federal childcare system could streamline the process for states: For example, the federal government could help ensure that existing Head Start spaces are being used to their maximum capacity.

When asked about lessons learned to inform priorities for a federal childcare proposal, Secretary Groginsky named three pillars: public funding, a serious investment in the workforce, and brick-and-mortar supply-building strategies. Secretary Padilla recommended incentivizing trust-building activities between the state and the parent, provider, and advocate communities as a foundation to building out a successful new public program. Secretary Padilla also said that a federal childcare policy should aggressively promote and streamline the process for home-based providers and other such programs to enter the system or grow as an early step in building supply for a universal system.

It is important to note that New Mexico is able to draw from vast permanent resources from oil and gas revenue that the majority of states do not have comparable access to. But New Mexico shows what is possible on childcare with significant, stable public investment—which should be available to every state through federal policy.

Vermont

As a result of years of organizing and advocacy by state organizations like Let's Grow Kids, the state legislature, and parents, families, and advocates, Vermont passed Act 76 in 2023 to broadly expand its public childcare system. Governor Phil Scott vetoed it, but the state legislature overrode the veto. The act created a 0.44 percent primarily employer-side payroll tax that, combined with allocated general fund revenue, provides $125 million a year in funding for ECE.

Childcare subsidies became a true entitlement in the 2024 legislative session: Governor Scott proposed a reduction of $10 million in the program's base funding levels, but the legislature not only successfully pushed back but also strengthened the legislation by removing the phrase "to the extent that funds permit." This made the subsidy a full entitlement. Vermont was the first state to codify a childcare entitlement into state law.

Vermont has been steadily improving upon and expanding its public childcare system since 2019. From 2025 data, Vermont has a coverage rate of 77 percent, with a 28 percent gap in care.

The Guiding Principles in Vermont

Affordable and Accessible

Expanded and simpler subsidies: Even before Act 76, Vermont was expanding eligibility for subsidies through the state's Child Care Financial Assistance Program (CCFAP). In 2022, it was increased to 350 percent of FPL. Instead of being given a lump sum as their subsidy, families pay a "family share," or co-payment,[4] to their childcare provider. The state then pays the remainder of the cost directly to the childcare provider. In 2022 family co-pays became a "single family co-pay," calculated only on a family's youngest child—so that families with multiple children in care do not have co-pays for their older children.

Expanded eligibility: Act 76 significantly expanded income eligibility for childcare subsidies. Family eligibility increased to 400 percent of FPL in 2024, and then 575 percent ($189,750 for a family of four) that same year. Families with incomes at or below 175 percent FPL (about $57,750 for a family of four) do not have to pay a family share—making childcare free for the lowest-income families. The number of families in Vermont receiving a childcare subsidy increased by 55 percent from July 2022 to May 2025, and from October 2024 to May 2025, families participating in the subsidy program spent only about 5 percent of their income on childcare. Families with moderate and higher incomes also decreased their out-of-pocket childcare costs, benefiting from expanded eligibility as it combined with the single family co-payment.

New slots: According to Janet McLaughlin, deputy commissioner at the Vermont Department for Children and Families (DCF), the biggest success in Vermont has been how many more families are benefiting and how quickly. Act 76 funding helped create more than 1,700 new childcare slots, and the overall number of childcare providers in Vermont has seen a sustained increase since the summer of 2023, when Act 76 was passed.

Coordinated and Streamlined

Vermont is the only state highlighted here that does not have a dedicated agency for early childhood education. Vermont's early childhood system is coordinated through the Department for Children and Families (DCF) Child Development Division in collaboration with the Agency of Education.

[4] The amount a family in the CCFAP program has to pay each week toward their childcare costs. It varies based on income, number of children, and care type.

More is needed for a unified agency: Legislators had originally considered including in Act 76 a mandate to create a new cabinet-level agency, but they postponed it to prioritize building political will for the other pieces of the legislation. The act did commission a systems analysis that interviewed government and agency stakeholders, which resulted in a recommendation for a new department of early care and education, but this never crossed the finish line. There has been some criticism about a lack of coordination at the state governance level, which will likely continue in years to come—especially if Vermont continues to expand public childcare access, which will only elevate the need for a dedicated, coordinated, cabinet-level agency.

ECE advisory council: Vermont does have some built-in accountability mechanisms. The state's public-private early childhood advisory council, Building Bright Futures (BBF),[5] is tasked with tracking implementation and outcomes, as well as providing regular reports to both the public and the legislature. As well as fulfilling the obligations of Head Start, BBF operates a committee called the Early Childhood Interagency Coordinating Team, a team of agency leaders tasked with identifying and reducing barriers in government to strengthen the early childhood system.

A Thriving Workforce

Higher reimbursement rates: Leading up to Act 76, reimbursement rates for childcare programs accepting subsidies went up gradually, allowing programs to raise wages and receive stable pay. In 2022, the state matched reimbursement rates to a state market rate survey. In 2023, reimbursement rates for providers increased again by 35 percent, and to help build supply, these rates were decoupled from programs' quality ratings. In 2024, family childcare providers saw another increase in their reimbursement rates. In 2025, Vermont distributed $2.7 million through Quality and Capacity Incentive Payments to 802 childcare, preschool, and after-school programs. And when eligibility reached its current level (575 percent of FPL), they added additional bonuses for providers. In 2025, they implemented another increase of 5 percent in reimbursement rates to childcare programs specifically for infants and toddlers. The next step for the state (per Act 76) is a continued increase in reimbursement rates.

Workforce and wage increases: Vermont also invested in childcare capacity development and business support, which helped sustain existing programs and increased the overall number of childcare providers. The number of providers increased most dramatically after the implementation of readiness payments (described in the "A Just Transition" section) and increased reimbursement rates. BLS data from May 2025 shows that the median hourly wage for childcare workers in Vermont is $18.29, a significant increase from $14.07 in 2022.

[5] Building Bright Futures is Vermont's early childhood public-private partnership charged under the federal Head Start Act to act as Vermont's Early Childhood State Advisory Council.

Increased workforce capacity: Deputy Commissioner McLaughlin explained that by stabilizing the supply side of the system before and while expanding eligibility, they were able to quickly increase the system's capacity to serve more families. She noted that Vermont went from a place of losing capacity to gaining capacity in only a few years. She acknowledges that though it is not perfect, the increased reimbursement rates, wages, and readiness grants, as well as quality supports and coaching, were hugely important to supply building.

Upcoming minimum pay standards: Act 76 is intended to implement minimum pay standards once reimbursement rates get closer to the true cost of care. This order of operations is intended to ensure that programs don't receive unfunded mandates to pay higher wages they can't afford while keeping their doors open. In 2026, the Department of Labor and the Child Development Division are scheduled to report to the legislature regarding minimum compensation standards for early childhood educators.

Steps toward a formalized ECE profession: In lieu of a state-issued wage scale or ladder, the state legislature has been considering a bill to create a formal ECE profession through the state's Office of Professional Regulation. The ECE Profession Bill would affect early childhood educators working in nonpublic childcare programs regulated by the Child Development Division. The bill is based on recommendations made by a task force of Vermont early childhood educators, through a multiyear feedback process that engaged 1,000 ECE providers. If the bill passes, providers will get representation on a governing board to give them a major voice in the ongoing standards for their workforce. This work aligns with a national movement to create a "unifying framework" of credentials that would articulate a national standard for the career pathways, competencies, qualifications, compensation, and infrastructure for early childhood educators across the country.

Inclusive and Culturally Competent

The foundational principles in Vermont's Strategic Plan for childcare include goals for inclusivity, like "families and caregivers are leaders and central to decision-making" and "equity and justice are non-negotiable." These concepts are woven throughout the plan.

Diversity and disability inclusion: Act 76 includes funding to help providers offer nontraditional hours of care and expand access to culturally competent and multilingual programming. It also offers grants to fund providers that serve children with special needs. The Special Accommodation Grant program aims to enable childcare programs to help families with children with special needs to access childcare. The state also provides Vermont Agency of Education Early Education resources focused on anti-bias education, cultural diversity, and support for dual language learners.

Community engagement: Deputy Commissioner McLaughlin noted that to improve community engagement, Vermont partnered with Child Trends, a research organization, to hold focus groups and surveys with providers and parents. This helped them design the expanded system based on community needs. In addition, BBF operates a network of 12 regional councils convening early childhood stakeholders to help advise policy implementation.

Hubs for parents: McLaughlin also pointed out that Vermont has Parent-Child centers in every community; they received $7 million in funding from the state in FY25. These are community hubs where families can find parent support and education, home visiting, early childhood education services, connections to support services and concrete direct support, community development, play groups, and more. There are 12 parent-child centers that operate licensed childcare programs, serving 684 children. Six of the centers also serve as state Community Child Care Support Agencies.

A Just Transition

The state has prioritized workforce- and supply-building as much as expanded access in order to encourage a smooth transition to an expanded public system centered on worker compensation. As they ramped up eligibility levels from 2022 to 2024, they increased reimbursement rates for providers.

Readiness payments: The state also implemented a Readiness Payment Program, which allowed providers to raise wages, improve benefits, reduce turnover, and invest in staffing and quality improvements. The goal of the readiness payments was to help ECE programs prepare for Act 76. Payment amounts were based on a formula that reflected the intention to "support stabilization, expansion, and quality within programs." The formula was designed based on Act 76's priorities, as well as community feedback collected from a survey of early childhood and after-school programs in July 2023. It also drew upon best practices from Vermont's pandemic-era stabilization fund spending. Deputy Commissioner McLaughlin explained that they offered these additional readiness payments to prepare programs for the increase in demand, even before the increase in rates.

Career pathways and apprenticeships: Vermont has also invested in career pathways to encourage people to enter the early childhood education profession. The state drew off and scaled work already done by the state's universal pre-K (UPK) program to support community-based programs with mentorship, technical assistance, and grant application support. The state expanded its scholarship program for providers and invested state dollars into a student loan repayment program for providers, allowing those who already have degrees to receive up to $4,000 a year to repay loans. Vermont also has an early childhood youth apprenticeship program, in which high school students can work in early childhood classrooms and receive both mentorship and pay, through a stipend that the program receives.

Key Challenges and Progress

Infant and toddler supply challenges: McLaughlin flagged a persistent shortage of infant and toddler slots, noting that "if you can't find care, a subsidy does not help." She noted that because more adults are required for an infant/toddler program, it is more complicated to find a way to fund infant/toddler care at the higher rate it requires. A 2026 op-ed from two Vermont state legislators echoes these challenges; though they reiterate that Act 76 has been a success, they also note that "workforce shortages remain the single largest barrier to expanding child care supply, particularly for infant and toddler care." The state's next focus will be trying to fill the gaps of thousands of slots for families that need them, primarily for infant care—nearly half of unmet need is for infants, and only 40 percent of infants have their care needs met. (Compare this to the 70 percent of toddlers and 69 percent of preschoolers who have their care needs met in the state.) And, similarly to New Mexico, though Vermont has significantly increased wages for childcare providers, their wages still fall below the living wage for single adults.

Challenges caring for children with special needs: Though Vermont has implemented grants for children with special needs, many childcare programs have had trouble accessing the grants, and funds have run out before all needs are met. Indeed, survey data indicates that the majority of children with special needs have been asked to stay home from their childcare program on "at least an occasional basis" because the program could not meet their needs. McLaughlin noted that the grant program needs more resources in order to work more effectively.

Eligibility challenges: Another challenge is the way a sliding scale without full universality creates benefits cliffs. According to McLaughlin, a Vermonter with two children who is only slightly above the eligibility income level is particularly strapped. The top family co-pay for newly eligible families is $445 a week, which can be prohibitively expensive for families whose income is right around the threshold.

Progress: Vermont has made considerable progress expanding its public system. 2025 was the first full year that Act 76 was operating at scale, and according to a 2026 Monitoring Report, during that year Vermont's CCFAP program expanded to serve nearly 50 percent more families than before Act 76. Nearly 8,000 additional Vermont children received childcare assistance. Data from January 2026 shows that Vermont closed the gap between supply and demand by 1,992 childcare spaces between 2024 and 2026. The state saw an increase in the number of providers implementing the provider supports in Act 76 (increased reimbursement rates, grants, and readiness payment programs). Since the passage of Act 76, Vermont has gained more than 100 new childcare programs, more than 1,200 new spaces, and around 400 new ECE jobs. And the number of home-based childcare providers in Vermont is also increasing after Act 76's implementation, after years of decline. (Nationally, there is still an overall decline.)

The 2026 monitoring report shows that families describe Act 76's lower co-pays as a "game changer." Providers report that the predictable revenue has allowed them to increase wages, improve employee benefits, and make new investments in quality. In a 2025 focus group, parents and caregivers described the new subsidy system as making childcare more affordable, accessible, and flexible, allowing families to increase the number of children in care or to switch from part-time to full-time care, easing logistical burdens. In the same focus group, program administrators also reported several positive changes for both providers and families: Increased reimbursement rates both allow administrators to increase staff salaries and provide benefits and/or bonuses, and provide more reliable funding and financial stability for programs.

Lessons Learned and State Recommendations

Vermont shows how a means-tested system, even a very generous one, brings its own set of challenges compared to a fully universal system. DCF learned quickly that families with higher incomes who had never applied for public benefits before had questions that were different from those DCF was accustomed to fielding from families who were used to interacting with the public system. For example, higher-income families asked how the subsidies would impact their taxes—whereas many of the lowest-income families who had qualified previously did not earn enough to pay income tax. Additionally, there is an administrative burden of determining who is eligible; in McLaughlin's estimate, the state spends about $4 million determining income eligibility.

When asked about recommendations for a federal universal childcare policy, McLaughlin recommended prioritizing what she called "supply-sustaining" activities, as well as thinking through how to create an incentive structure to ensure high-quality programs. She also recommended federal investment in technology systems, because of the importance of up-to-date technology for implementing a system, which requires a lot of funding.

McLaughlin also flagged that size should be a consideration when comparing Vermont childcare policy to other states' or federal policy. Vermont has the second-lowest population of all US states, with only around 645,000 residents. Investments in other states will need to be more significant to achieve comparable progress.

McLaughlin said that the main barrier to expanding access to fully universal childcare in Vermont is funding constraints, rather than a lack of political will. Even in a small state like Vermont, many more resources are needed to achieve universal access. The challenges that remain in Vermont primarily demonstrate the need for continued investment in solutions that are already proving effective. This investment could resolve benefit cliff problems, fund infant/toddler care, grow workforce investments, and give more families access to subsidized care. In their op-ed, Vermont legislators wrote that the system's current challenges "are the predictable growing pains of scaling a public system in a field that was underbuilt and underfunded for decades."

Other State and Local Lessons

Other states and localities have made childcare policy initiatives that address many of the guiding principles for a universal public childcare system. The most common progress has been improving workforce compensation to increase supply—likely because pandemic-era workforce stabilization funds proved to be so successful.

In contrast, across states, affordability is universally lagging. Only 15 states have expanded eligibility for subsidies beyond the federal threshold—shown in national data about the heavy cost burden of childcare.

Workforce Investments

The stabilization funding for the ECE sector from the American Rescue Plan Act (ARPA) originally empowered more than 95 initiatives across the country to increase wages, provide benefits, or give financial relief through stipends and bonuses to childcare providers between 2021 and 2023. Although half of these initiatives ended when ARPA childcare stabilization funding sunsetted in September 2023, the experience showed state leaders how profoundly impactful investing in childcare workers can be. Federal policymakers should consider reintroducing ARPA's workforce stabilization policies.

Washington, DC, Illinois, and Massachusetts have developed particularly strong examples of direct workforce compensation programs. All of their programs have been proven to increase supply of providers.[6] In 2021, DC launched the Early Childhood Educator Pay Equity Fund, which provided annual payments of $14,000 for lead teachers and $10,000 for assistant teachers in its first two years. Now, it has shifted to a salary schedule with parity with DC public school teachers. DC also expanded access to affordable healthcare for early childhood providers. The Urban Institute found that the Pay Equity Fund increased lead teachers' wages by 37 percent and assistant teachers' wages by 31 percent, with nearly all recipients surveyed reporting that the fund helped

[6] For more lessons from Washington, DC, and Massachusetts, see the examples sections of the 2025 guiding principles report.

them pay for essentials like housing, utilities, and food and to pay off debts. A Mathematica study showed that these payments were associated with the addition of 219 early childhood educators, or nearly 7 percent over its estimate of what the sector's employment level in DC would have been without the Pay Equity Fund.

Illinois' Smart Start Workforce Grants increased childcare provider wages by creating a predictable, stable funding stream for licensed CCAP providers. The grants are offered quarterly, and require programs to pay early educators between $17 and $19.25 an hour. This represents an average wage increase of about $2 to $4 an hour, via payments of $6,000 to $6,750 per quarter for childcare center classrooms and $4,000 a quarter for family childcare providers. Evaluations have found that childcare providers participating in the program saw an increase in staff, an increase in providers achieving new credentials, and a decrease in turnover.

Massachusetts made permanent a grants program called Commonwealth Cares for Children, essentially an extension of the ARPA stabilization grants. The program provides foundational funding as well as scholarship and loan forgiveness programs for early childhood providers. It also allows providers to use the funding to cover costs like salaries, payroll, benefits, professional development, supplies, curriculum, rent or mortgage, utilities, and facility upgrades. This has resulted in an increase in childcare providers in Massachusetts. Massachusetts also adopted reimbursement rates based on a new cost model, joining Colorado, DC, New Mexico, and Virginia.

Another development is allowing childcare providers who take public subsidies to collectively bargain with the government. 11 states have a collective bargaining agreement with a childcare union that allows family childcare providers who take subsidies to bargain with the state. Where childcare workers are unionized, their wins have significantly improved the quality of their careers. For example, as a result of labor organizing California became the first state to fund a retirement program for childcare providers.

Universalism

While New Mexico is the only state with universal childcare eligibility for the full early childhood continuum (all ages from birth to five), other states have made progress toward state universal pre-K for three- and four-year-olds. Sixteen states have a universal preschool policy, meaning age is the only criteria for eligibility. But states with universal preschool policies also struggle with having enough available slots to meet demand; just because a state has a universal policy doesn't mean there are enough slots for all preschoolers. The National Institute for Early Education Research has identified that the District of Columbia and Vermont have the highest pre-K enrollment rates, followed by Iowa, West Virginia, Colorado, California, and New Mexico. The latter two have seen particularly high rates of growth in enrollment more recently.

Progress toward universal birth-to-five childcare is increasingly on the table in New York state. New York City Mayor Zohran Mamdani and Governor Kathy Hochul have collaborated to build upon the already successful expansion of public childcare in New York City to serve more children there, as well as to start on a road map to universal childcare for the entire state. These efforts will expand upon the successful UPK initiative in New York City that includes 3-K.[7] Mayor Mamdani also recently announced efforts to expand universal preschool to 2-K.

Recommendations for a Federal Universal Childcare System

The following are recommendations for a federal universal childcare proposal that summarize the lessons learned from the states highlighted in this brief.

Affordable and Accessible

Federal childcare policy should:

- **Remove eligibility limits for publicly subsidized childcare for all families** to ensure affordability and ultimately achieve universal free or highly affordable childcare for all.
- **Invest in workforce compensation** to ensure an adequate supply of providers. Without the workforce to supply the care, universal care cannot be achieved.
- **Adjust rates based on the age of children served.** For example, infant and toddler care is more expensive than care for older children, so it requires additional investment and workforce incentives to ensure adequate supply.
- **Include capital funding** for physical capacity and supply, through both retrofitting and expanding current programs and building new ones.
- **Provide funding to develop accessible technology** so states can create a single point of entry to help families find care.

Coordinated and Streamlined

Federal childcare policy should:

[7] New York state is still in the beginning stages of building its road map toward a universal birth-to-five system, so it did not score as high in our 50-state scan. New York City is an important example of a significant UPK initiative, and though the city's program was not highlighted in this state-focused brief, there are many lessons learned from the city's rollout.

- **Use existing capacity and expertise at the local, regional, and state levels** to coordinate and implement programs. Any universal childcare bill will interact with and connect to state systems that already exist, and states should be able to continue what is already working.
- **Help states implement dedicated, coordinated state entities** that focus on early childhood education. Dedicated entities would not only help with the rollout of the universal program but could also continually improve quality and engage with the community.

A Thriving Workforce

- Federal childcare policy should invest significant public funding to **ensure that childcare providers can receive truly professional pay and benefits.**
- A federal universal childcare proposal should learn from states and **meaningfully engage with labor unions.** Policy language should ensure the right to collectively bargain and unionize in good faith, with an eye toward building long-term mechanisms to support worker power in this historically marginalized workforce.

Inclusive and Culturally Competent

Federal childcare policy should:

- Include sufficient funding to **serve children with special needs and disabilities and require early intervention to be coordinated** with all other childcare programs, with help from state and local governance structures.
- **Fund local needs assessments** to ensure that care meets the diverse needs of families. Culturally responsive care will vary widely across the country as well as within states.

A Just Transition

Federal childcare policy should:

- **Require community engagement at the local level.** As demonstrated through interviews in this brief, community engagement should be done in partnership with local organizations and communities. The trust that states have built through community listening sessions and taking feedback from advocates, parents, and providers has been critical for bringing providers into expanded public systems, advertising the system to families, and ensuring high quality without impacting supply.

- **Partner with labor unions, higher education, resource and referral agencies, and provider networks** to help build worker pipelines, support workforce development, and provide continuing education.

Conclusion: Why Federal Investment Matters for Universal Childcare

In the face of federal inaction, states are making enormous strides toward building more accessible and affordable public childcare systems. But even though state policies on childcare are promising and offer many road maps to draw upon, the US overall is still missing the mark on early childhood education. Only one state offers true universal eligibility for public childcare. And no state has a completely public system for the birth-to-five continuum with true guaranteed universal access without work or education requirements, akin to the K-12 public school system. (New Mexico requires parents to be working, looking for work, or in school, with some exemptions.)

To meet the vast need for childcare across the country, we need federal investment in a public birth-to-five childcare system for all families. Significant federal public investment—particularly investment in the necessary conditions for a universal public system, like the workforce and age-inclusive care—would aid many of the challenges facing states, even those leading the way. To build the supply of childcare, we need more childcare providers, and, to sustain and grow that workforce, we need to give them thriving professional wages and benefits. Without a significant public payer like the federal government, the balance between raising wages and keeping down costs for families will continue to be an enormous hurdle.

The US needs a childcare system that is universally guaranteed through stable investment, rather than an inequitable patchwork of local programs that depend on volatile state budgets and unequal access to resources. To implement a true public option for childcare, rather than simply patching the holes in the safety net, the US should take these lessons learned from state childcare policy and partner with state agencies and communities to build a truly universal, national public childcare system.

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