

BEYOND THE PATCHWORK

How State Legislation Moved Child Care Forward in 2026

ChildCareAware.org



Table of Contents

Introduction . . . 3

A Shared Vision for Child Care . . . 3

Child Care in 2026 . . . 4

What Does Success Look Like by 2035 . . . 4

State Child Care Policy Progress and Analysis . . . 6

Outcome 1: Families with low and moderate incomes can afford quality child care . . . 6

Outcome 2: Communities across the country have the child care they need . . . 8

Outcome 3: Early childhood teachers are paid as skilled professionals . . . 14

Outcome 4: Every state has a strong on-the-ground network . . . 16

Barriers to Progress . . . 18

Conclusions . . . 19



Introduction

A Shared Vision for Child Care

As the only national organization with an on-the-ground network that supports every part of the child care system, Child Care Aware® of America (CCAoA) is committed to making child care work for children, families, providers, and communities. Our network of child care resource and referral (CCR&R) organizations is the link between what families and providers experience on the ground and the policy decisions made in statehouses—and that vantage point shapes this report. Accomplishing this means powering an on-the-ground network building quality child care in every community, driving policy action through trusted data & powerful advocacy, delivering solutions that make child care work everywhere, and building the future of child care. These four pillars are the foundation of CCAoA's 10-year strategic vision. Its four 2035 outcomes provide the lens for this report: we examine state progress and innovations and connect individual policy changes to their broader implications for children, families, providers, employers and the child care system.

Child Care in 2026

Child care is essential to supporting healthy children, thriving families, and a strong economy—and in 2026, it remains a critical national issue. Unmet need for child care assistance remains persistent: the number of children on child care waitlists increased by over 100,000 between 2024 and 2025. Families continue to feel financial pressure, as the price of child care rose by nearly 23% between 2021 and 2025. At the same time, the number of licensed child care centers decreased slightly, while 44% of early childhood workforce members exited the profession since 2023. Lack of available child care is expected to cost an estimated $216.4 billion to $329.4 billion in lost household earnings, business productivity, and tax revenue. Together, these trends point to persistent strain across the child care system—impacting the health and development of children, the financial stability of providers, parents' ability to participate in the workforce, and the employers who depend on them. While states spearhead innovative solutions, the underlying problem is shared: **America has a patchwork child care system that holds us back—children, families, child care providers communities, employers, and our military**.

These economic realities are further shaped by a shifting financial landscape. In 2026, states are operating in a more constrained budget environment: one-time pandemic relief funds have expired, revenue growth has slowed, and states are adjusting to changes across federal programs. At the same time, states are navigating changes to regulatory protections for providers, rising liability insurance costs, and changes to other social assistance programs. ***Together, these pressures have contributed to a piecemeal state policy landscape, with child care systems increasingly expected to serve more families while often operating with fewer public resources***.

As the nation weighs how to fund child care sustainably, states are taking action to stabilize, protect, and build their child care systems to serve the most vulnerable families. The constrained fiscal environment alongside the urgent need to expand child care access raises the question: How are states "measuring up" to the child care needs of children and families in 2026? Which policy choices are moving states closer to, or farther from the outcomes a strong child care system should deliver by 2035. ***Through the lens of four outcomes-based goals for the future of child care, this report explores the progress states have initiated around child care and early learning policies during their 2026 legislative sessions***.

What Does Success Look Like by 2035?

A successful child care system requires connecting a shared vision for what the system should achieve with the policy solutions needed to get there. Throughout this report, we track legislative progress in states in 2026 and **assess how each policy solution aligns with the four 2035 outcomes below**—providing a snapshot of how states are addressing the most pressing issues in child care.

Building a strong child care system includes pursuing four key outcomes, as defined in CCAoA's 10-Year Strategic Vision, each with a target we can measure progress against.

Accomplishing these outcomes within the next decade means connecting on-the-ground experience with data-driven policy solutions to deliver real, measurable child care outcomes where everyone benefits, including those who provide and receive child care services.

I. Families with low and moderate incomes can afford quality child care.
   - **Target:** 75% more families receive help covering the cost of child care.

II. Communities across the country have the child care they need.
   - **Target:** 1 million new child care spaces, reducing unmet need by 25%

III. Early childhood teachers are paid as skilled professionals.
   - **Target:** average hourly pay doubles to $30, and 75% of classrooms are led by teachers with nationally recognized, competency-based credentials.

IV. Every state has a strong on-the-ground network of organizations that families, providers, employers, and policymakers rely on to find, grow, and sustain quality child care.

Additionally, this report identifies the "system impact" for every state policy highlighted—connecting the policy change to its broader significance for families, providers, educators, employers, and networks. Potential system impacts are informed by the policy "tool" being leveraged, whether it is through direct investments, tax credits, program eligibility changes, or employee benefits. **This helps answer the question: What is a policy change designed to accomplish for the broader child care system?** This report does not conduct a full policy evaluation, but rather clarifies the importance of state child care policies drawing from recent research and how it can relate to the broader infrastructure that supports the availability, affordability, quality, safety, or sustainability of child care.

Moving toward a successful child care system requires not only recognizing state policy progress, but also understanding its broader system-level impacts and how different strategies advance the four 2035 outcomes. Not every policy will be perfect, and states will have different experiences and lessons learned. However, understanding how policy strategies affect different parts of the child care system is critical to identifying the right policy levers and using them effectively at the right time.

How to Use this Report

Each section below opens with where the nation stands on one 2035 outcome, then highlights 2026 state actions that moved the needle. Every entry notes the system impact and how durable the change is (enacted in statute or funded through budget; recurring or one-time). Each section also highlights where the local CCR&R network can help put legislation into practice. For a fuller catalog of 2026 legislative activity, see the 2026 CCAoA-NAEYC State Session Round-Up.



State Child Care Policy Progress & Analysis

1 OUTCOME 1

Families with low and moderate incomes can afford quality child care.

Target: 75% more families receive help covering the cost of child care.

Expanding access to affordable, reliable child care is a critical tool in strengthening parents' labor force participation and increasing long-term earnings, especially for mothers. However, families face financial trade-offs that make it even harder to invest in high-quality child care choices. According to the 2025 Price & Supply Report, the national average annual price of child care ($13,184) takes up 10% of the median income in a two-parent household and 33% in a single-parent household. This past session, some states moved closer to expanding child care coverage through measures such as lowering child care costs, expanding eligibility, and capping copayments.

- Maine's final budget included an additional $10 million in ongoing general fund dollars to support its subsidy program and address the state's waitlist, and passed legislation codifying into statute that family copayments cannot exceed 7% of their income for families earning up to 85% of State Median Income (SMI).

  ✔ System Impact = Caps what families pay at 7% of income and adds funding to reduce the waitlist.

  ✔ Durability = copay cap in statute; $10 million in recurring funding.



- Nebraska enacted legislation that permanently sets subsidy income eligibility at 185% of the Federal Poverty Level (FPL), which was otherwise scheduled to revert to Nebraska's previous 130% FPL threshold this year.

  ✔ System Impact = Locks in eligibility for families up to 185% FPL rather than letting it fall back to 130%.

  ✔ Durability = permanent, in statute.

- New Hampshire enacted legislation that improves access to affordable child care for grandparents and other relatives raising children. The bill eliminates the work requirement for retired individuals (67 or older) and will no longer require families to pay a copayment for children in kinship care.

  ✔ System Impact = Removes requirements for retired individuals and for children in kinship care to access child care.

  ✔ Durability = permanent, in statute.

Network Role: CCR&Rs play an integral role in enacting the policies above. In many states, they match waitlisted families with newly funded slots, help eligible families keep their care as rules change and reach groups who just became eligible, such as grandparents and kinship caregivers. Through this work, the network helps make sure new investments and protections actually reach the families they were meant for.

2 OUTCOME 2

Communities across the country have the child care they need.

Target: 1 million new child care spaces, reducing unmet need by 25%

The current supply of child care falls short of demand, creating a gap between the care families need and the care available to them. This unmet need is evident in both limited access to child care assistance and declines in the supply of child care programs. According to CCAoA's 2025 Price & Supply report, at least 26 states experienced declines in the supply of licensed child care centers between 2024 and 2025. Additionally, the number of states with waitlists increased from 13 to 17 in 2025. Overall, child care supply constraints can be driven by a range of factors, including administrative barriers, local zoning and land-use regulations, and low pay that makes it hard for programs to hire and keep staff. During this past legislative session, states took steps to address some of these barriers and build the child care supply needed to reach the 2035 target of 1 million new child care spaces

Reimbursement Rates

Child care reimbursement rates play a core role in ensuring providers can accept child care assistance payments and operate with sufficient funding. A study from Minnesota in 2025 found that higher subsidy payment rates led to more stable subsidy participation and more stable subsidized care arrangements. Additionally, while higher payment rates can incentivize providers to expand child care supply, research from the Urban Institute in 2022 suggests that rates alone may not be sufficient; sustained funding and payment practices must address the broader financial and operational costs of delivering care.

- Illinois included an additional $55 million (a 7% increase) for its subsidy program to support at least 155,000 children and provide reimbursement rate increases for home-based child care providers.
  - ✔ System Impact = Increasing public payments to providers who accept child care subsidies—improving their financial stability.
  - ✔ Durability = one-time annual funding.
- North Carolina's final budget allocates $97 million in recurring federal funding to increase reimbursement rates for child care providers using the 2023 Market Rate Survey and sets a statewide minimum rate for subsidy reimbursements. This new "floor" ensures providers in every county receive a minimum reimbursement rate, helping address longstanding disparities—particularly for rural providers that have historically received lower rates—and support the financial stability of child care programs statewide.

- ✔ System Impact = Makes it financially more viable for providers, especially areas with historically lower rates, to accept child care subsidies.
- ✔ Durability = reimbursement rate floor is permanent in statute.

- Delaware's enacted budget includes a 10% increase in reimbursement rates for children ages birth to five, across all settings.
  - ✔ System Impact = Increasing public payments to providers who accept child care subsidies—improving their financial stability.
  - ✔ Durability = permanent, in budget statute.

Network Role: CCR&Rs support child care providers to inform their business practices and ensure families can have access. In many states, CCR&Rs partner with providers to deliver timely funding updates and support business planning, compliance, and financial viability. They also collect data to help demonstrate the differing child care needs of rural, urban, and under-resourced communities.



Direct Investment

While federal funding establishes an important foundation for child care assistance, states make distinct policy choices about whether and how much to invest beyond federal requirements. In 2025, some states that invested heavily in early education still fell short in comparison to their K-12 spending. State investment is a critical factor in sustaining a strong child care system because underspending during the earliest years means missing a vital chance to support children's long-term development and success. In this section, several states invested significantly in child care supply-building in addition to exploring revenue-building strategies for sustained funding.

- California's final budget includes an additional $269.2 million to restore 3,430 child care slots and expand to 22,770 additional slots.
  - ✔ System Impact = Investing in additional child care slots, aligning child care provider rates with current-day costs, and targeting child care facility supports to communities affected by natural disasters.
  - ✔ Durability = one-time annual funding.

- Connecticut's final budget added $411.7 million in state surplus funds to its Early Childhood Education Endowment (established in 2025), bringing its total value beyond $700 million. The endowment will continue to fund new child care spaces, lower costs for families, and support child care facility construction and worker pay.
  - ✔ System Impact = Investing in additional child care slots while also lowering child care costs for families.
  - ✔ Durability = permanent funding source dedicated to early childhood system.
- Virginia's final budget increases funding for its subsidy program by $137 million, which aims to eliminate its existing subsidy waitlist caseload and add around 6,700 new slots through increased funding for the program. The state also passed legislation to allow the state to use up to $5 million from prior-year unexpended state general funds to address any waitlists.
  - ✔ System Impact = Creating new available child care assistance slots and reducing the state's waitlist.
  - ✔ Durability = one-time, annual funding.

Network Role: CCR&Rs play a direct role in ensuring state investments reach all parts of the child care system. They leverage community connections and experience to inform funding priorities, strategies, and coordination of child care services. Some CCR&Rs directly advocate for continued funding at the state level and ensure provider and family voices are prioritized.

Licensing Modernization

Childcare regulations play an important role in protecting the health and safety of children and educators while supporting the quality of early learning and care. A 2024 report from NAEYC demonstrates that there are ways for states to "relax, align, and modernize regulations that reduce administrative costs and burdens to build supply without harming quality or accessibility". States are continuing to identify opportunities to cut red tape and delays for providers while keeping core health and safety protections intact. Modernization works best alongside public investment that addresses the root causes of the supply shortage.

- Colorado enacted legislation that establishes a task force dedicated to studying and reporting recommendations for a streamlined child care licensure system in the state, making it easier for businesses to open and sustain operations and expanding care options for families. The legislation also limits associated fees related to the inspection, permitting, licensing, or approval of a child care center or family child care home beyond state-licensing standards.

- ✔ System Impact = Reducing administrative steps in building child care centers and family child care homes.
- ✔ Durability = temporary task force until July 2028.

- Illinois enacted legislation aimed at reducing administrative barriers, supporting the early childhood workforce, and strengthening early childhood programs. The legislation creates a new licensing framework by clarifying and streamlining the license-exemption process. It also reduces delays and duplicative steps in the licensing process, modernizes outdated terminology, and streamlines background checks by tying them to the individual rather than the program.
  - ✔ System impact = Reducing administrative steps and reducing licensing delays within a new child care licensing framework.
  - ✔ Durability = permanent in statute.

- Minnesota enacted legislation updating licensing standards for child care centers and family child care programs, with the revised requirements taking effect July 1, 2027. The changes are the result of a multi-year effort involving providers, licensors, parents, and other child care organizations to modernize the state's licensing system.
  - ✔ System Impact = Updating core health and safety protections, creating a more risk-informed child care licensing system, and providing greater clarity and flexibility for providers.
  - ✔ Durability = permanent in statute.

Network Role: CCR&Rs are integral to passing legislation that informs quality early learning and care. In many states, they work with child care business owners and teachers to support implementation of regulations and inform future improvements. Additionally, they help compile, disaggregate, and analyze community child care data to inform regulation formulation. Through this work, the network ensures all community partners are at the table.



Zoning/Land Use Improvements

While zoning and land use regulations vary across states and local jurisdictions, poorly designed local regulations can often make child care facility maintenance and expansion more difficult or expensive for providers. States are exploring zoning and land-use policies as a strategy to support the expansion of child care capacity, especially for smaller programs.

- New Mexico passed legislation that removes local barriers to child care expansion by prohibiting local governments and HOAs from imposing restrictions on centers and home-based programs, and to treat licensed and registered home-based programs the same as regular homes under local zoning codes.

  ✔ System Impact = Allowing more child care centers and homes to operate in more jurisdictions.

  ✔ Durability = permanent in statute.

- New Hampshire enacted legislation that removes unnecessary zoning barriers affecting family child care and family group child care programs, as well as child care centers operating in commercially zoned areas.

  ✔ System Impact = Allowing more child care centers and homes to operate in more jurisdictions.

  ✔ Durability = permanent in statute.

- Kentucky enacted legislation that includes establishing the Kentucky Child Care Microcenter Program to help regulate and support the expansion of additional, smaller child care programs serving between four and twenty-four children. The legislation outlines support for microcenters in rural areas and provides access to care for parents who work nontraditional hours.

  ✔ System Impact = Allowing more child care centers and homes, especially smaller programs in rural areas, to operate in more jurisdictions.

  ✔ Durability = permanent in statute.

Network Role: CCR&Rs continue the above work by helping individuals start and run quality home-based child care programs. They do this by supporting workforce and program development, business planning, and compliance. Many CCR&Rs use child care data to inform the expansion of smaller child care programs and focus on solutions that recognize the needs of communities in rural areas.

Employer Incentives

This section covers state policy strategies that engage employers in child care supports such as tax credits, cost-sharing initiatives, and grants. Recent research suggests that the employer child care tax credit may provide extensive benefits such as increased employee productivity. However, low usage and limited employer access to available tax credits minimize its intended impact. Other state initiatives that allow employers to purchase child care "slots" alongside sharing costs with the state show promising increases in child care availability. This is also where CCR&Rs add immediate value: they are the local connectors who help employers find, fund, and partner with providers; turning state and business investments into child care spaces in practice.

- Indiana passed legislation updating the employer child care expenditure credit by expanding eligibility to employers with up to 500 staff members. Additionally, this legislation expanded the scope of allowable investments for the credit including facilities employers built, acquired, or rehabilitated. It also authorizes local development commissions to use tax-incremental financing revenue to build or expand child care capacity.

  ✔ System Impact = Expanding the population of employers eligible for the tax credit incentive and expanding the types of expenses claimable.

  ✔ Durability = permanent in statute.

- New Hampshire enacted legislation that established the Child Care Day Care Creation tax credit, allowing businesses to claim up to a 50% credit on allowable expenses if they create or fund the creation of at least 12 new child care slots.

  ✔ System Impact = Directly tying tax credits to the creation of child care slots.

  ✔ Durability = permanent in statute.

- Michigan enacted legislation to permanently authorize the state's Tri-Share Child Care Program, a model that splits the cost of licensed child care equally between employers, their employees, and the state.

  ✔ System Impact = Securing legislation increasing opportunities for more stable and predictable revenue for child care providers and employers.

  ✔ Durability = permanent in statute.

Network Role: To support the above legislation, many CCR&Rs help employers find, fund, and partner with providers. They help determine eligibility, recruit employers to participate, connect employees with child care providers, and collect payments from employers, employees, and the state. Through this work, the network helps explore partnerships that stabilize the child care system.



3 OUTCOME 3

Early childhood teachers are paid as skilled professionals.

Target: Average hourly pay doubles to $30, and 75% of classrooms are led by teachers with nationally recognized, competency-based credentials.

Child care educators are the backbone of the child care system and are essential to ensuring programs can operate at their licensed capacities. Staffing challenges, however, can limit programs' ability to serve more families while placing greater strain on the educators who remain. Together, these challenges can limit access to child care and undermine the system's ability to support children during the critical window of early childhood development. According to a 2026 NAEYC Workforce Survey Data Brief, more than half of child care program leaders report being unable to afford the compensation needed to recruit and retain qualified staff. Program leaders also agree that they lack sufficient qualified staff and that they are experiencing a staffing shortage. The national hourly wage for a child care worker was $15.41 in 2024; the 2035 target is $30.

States took some steps in 2026, but most expanded benefits for educators—such as help paying for their own children's care. While there is much progress ahead to ensure educator compensation can stabilize the child care workforce, states are taking action to move closer to this reality:

- Kentucky and Iowa both enacted legislation that permanently allows individuals employed by a child care program to be eligible for subsidy for their own children, regardless of income.
  - ✔ System Impact = Makes child care educators eligible for help with their own children's care regardless of income: a recruitment and retention benefit.
  - ✔ Durability = permanent in statute.
- Tennessee passed legislation that will use revenue added to its Promising Futures Fund to establish a Child Care Workforce Scholarship Pilot Program, which will allow individuals employed by an eligible child care provider to be eligible for subsidy for their own children, regardless of household income, who work at least 30 hours a week. The fund will allocate $5 million over the three-year period to support the program.
  - ✔ System Impact = Investing in a program that expands child care assistance eligibility to child care employees and eliminates their costs.
  - ✔ Durability = recurring, dedicated revenue with a 3-year allocation cycle.
- Pennsylvania's final budget provided an additional $5 million for its Child Care Staff Recruitment and Retention program, which will provide at least $540 in annual bonuses to eligible child care employees.
  - ✔ System Impact = Investing in annual bonuses for eligible child care employees.
  - ✔ Durability = one-time, annual funding.

Network Role: To support legislation for early educators, CCR&Rs in many states help ensure providers receive additional payments/bonuses, connect them with care that supports their work schedules, and uplift the needs of providers in rural or underserved communities. They support data collection to understand usage of new workforce programs and inform continued funding for retention and recruitment efforts.

4 OUTCOME 4

Every state has a strong on-the-ground network.

Target: Every state has a strong on-the-ground network of organizations that families, providers, employers, and policymakers rely on to find, grow, and sustain quality child care.



Child care resource and referral (CCR&R) organizations are the on-the-ground network that families providers, employers, and policy makers rely on to find, grow, and sustain quality child care. They help families find and afford care, help providers open and stay open, and bring real world data to policymakers—serving as the essential link between local needs and state and federal policy. State child care resource and referral networks provide a core set of services that support and amplify community-based CCR&R organizations and help build strong state child care systems. CCR&Rs play a critical role in ensuring services reflect the unique needs of local families and providers, especially in under-resourced and rural areas. By aligning services with local realities, we create stronger child care systems that work for everyone.

This section highlights how local and state CCR&R agencies engaged in the 2026 legislative process and how state governments recently invested in the role of CCR&Rs.

- California – the California Child Care Resource & Referral Network participated in 30 meetings with government officials during the 2026 budget process, using its statewide network to elevate the role of R&Rs and the needs of local communities. Advocacy from providers, families, and early childhood organizations helped restore funding that had been slated for elimination. The final state budget included CCR&Rs and local planning councils (LPCs) receiving a 2.01% Cost-of-living-Adjustment (COLA).
  - ✔ System Impact = Direct investment in CCR&R infrastructure to improve the network's capacity for connecting families to services, helping families access subsidies, supporting providers, and conducting community outreach.
  - ✔ Durability = one-time COLA increase for FY 2026–27.

- Sacramento County – Child Action, a local CCR&R agency, co-sponsored legislation to allow electronic signatures for child care program paperwork. Reducing paperwork delays helps families stay connected to care, supports providers being paid on time, and allows the state to more efficiently spend existing child care dollars.

  ✔ System Impact = Streamlines documentation process of enrolling children into child care and applies expertise of CCR&R agency.

  ✔ Durability = permanent, in statute.

- Kentucky enacted legislation that creates a pilot program for child care microcenters and includes a provision that requires the state to consult "local child care resource and referral agencies" as part of the program's implementation.

  ✔ System Impact = Leveraging the expertise of CCR&R agencies in expanding access to child care and improving implementation of microcenters.

  ✔ Durability = permanent, in statute.

- Wisconsin – The final 2025 to 2027 biennial budget included $2 million specifically to bolster Wisconsin's CCR&Rs. This was part of the larger budget's efforts to invest in competitive grants to help child care centers expand capacity.

  ✔ System Impact = Direct investment in CCR&R infrastructure to improve the network's capacity for connecting families to services, helping families access subsidies, supporting providers, and conducting community outreach.

  ✔ Durability = one-time funding over a period of two years.

Network Role: CCR&Rs can build their capacity into the policies the state is already passing. Some examples include funding family outreach alongside eligibility expansion, provider recruitment and coaching alongside supply-building grants, and employer connections alongside new tax credits. Through this work, CCR&Rs can leverage trusted community partnerships and strengthen investments from the state and federal levels.

Barriers to Progress

As states make meaningful progress in providing timely, accessible, and high-quality child care, some states continue to face financial trade-offs just to sustain operations. Arizona, Louisiana, Florida, and South Carolina maintained existing investments in child care; however, state advocates from Arizona and Missouri fought to preserve investments that reduce child care assistance waitlists and enhance provider rates. Additionally, the expiration of federal pandemic relief funding, combined with the lack of additional state funding, continues to place states in a precarious position to lose capacity and programming. Wisconsin, for example, ended its Child Care Bridge Payments program for providers due to the expiration of American Rescue Plan Act (ARPA) funds and lack of investment in state dollars. These funding decisions directly impact families, as Wisconsin officials expect providers to raise child care tuition after the program ends.



Amidst changes in the financial landscape, states are responding to the 2026 Child Care and Development Fund (CCDF) final rule in varying ways: some states are moving ahead with key child care affordability policies while others are pulling back. States like Maine, West Virginia, and South Carolina continued to pursue the policy changes required by the 2024 CCDF rules, such as capping copayments at 7% and implementing enrollment-based prospective. Other states, such as Washington, Colorado, Ohio, and Missouri, either repealed previously passed policies to implement the 2024 CCDF rule requirements or delayed implementation. Understanding these state responses is critical, as access to affordable child care is essential to supporting the most vulnerable children and families, and budget decisions are key in putting these effective policies into action.

Lastly, more states today are feeling the pressure to provide child care assistance. While waitlists themselves signal pressure to provide child care services, they are also symptoms of even larger issues related to state and federal funding and policy actions. The number of states with waitlists increased from thirteen states in 2024 to seventeen in 2025. States like Arizona, South Carolina, Colorado, Missouri, and North Dakota are experiencing growth in their child care waitlists and are searching for opportunities to address them either through future legislation or state budget decisions. Not only does this impact families trying to access care, but providers are also facing increased financial strain as they make operational decisions about staffing, classrooms, and grants. Understanding waitlists is important for identifying where states are experiencing barriers to building a strong and sustainable child care system.



Conclusion

As states prepare for their 2027 legislative sessions, advocates and CCR&Rs can use the four 2035 outcomes to set priorities and measure results. The policy tools and examples mentioned provide insight into how states can advance affordability & access, state funding priorities, system capacity, educator supports, and network connections.

States have more responsibility than ever to shape their own solutions to the nation's most urgent child care issues. While states face challenges shaped by their financial resources and community needs, the fundamental problems of accessing affordable and reliable child care persist across the country, as do the challenges of building the capacity for our systems to meet existing child care needs. While 2026 posed significant barriers to securing sufficient and reliable funding for state child care assistance, many states continued to advance policies aligned with the four 2035 outcomes.

The four outcomes outlined in this report represent a shared framework for assessing state action while allowing innovation in how states pursue solutions—providing a foundation for where states can and should dedicate their efforts. These outcomes bring to life the vision for child care in 2035 and help ensure that state solutions simultaneously address short-term barriers and shape, evaluate, and implement effective policies that drive long-term progress. CCAoA and our on-the ground-network will keep tracking that progress, state by state, every year. Together, we're making child care strong—and that makes everyone stronger.