



State Session Round Up, Summer 2022

States and local communities play a significant role in shaping the policies that determine child care access for families and the quality of available care. This blog explores legislation that state and local governments have enacted in 2022 to support child care and early learning. These actions are especially important as federal relief funding, which has allowed states to implement temporary child care policies, is set to dry up in 2024.

CURRENT FUNDING IS NOT ENOUGH TO SUPPORT STATE'S CHILD CARE SYSTEMS

States use a myriad of funding streams to support their child care systems. Federal funding is available to states to help families afford and access care. At its bedrock, states receive federal funding under the [Child Care and Development Block Grant \(CCDBG\)](#) to serve low-income families and improve the overall quality and supply of programs. States are required to infuse additional funding to support their child care and early learning programs under CCDBG. In addition, states can tap into other [federal funds](#) to support child care, like Head Start/ Early Head Start, the Preschool Development Grant, and Temporary Assistance for Needy Families (TANF).

Unfortunately, past federal and state investments have not been enough to support the system and have created a precarious situation for child care, one that relies heavily on families to foot the bill. This is, of course, unlike our public K-12 education system. A recent analysis from the [First Five Years Fund](#) shows that in almost all states, CCDBG funds reach less than 15% of eligible children. Family payments alone are not enough to cover personnel and administrative costs, along with child care businesses' mortgage/rent, utilities, food, equipment, and general maintenance and upkeep. Providers only charge what [families can afford](#), which often translates into near-poverty wages and limited benefits (if any at all) for early educators. These challenges make it financially stressful for providers to run a high-quality child care program and squeezes family budgets in order to afford care, when families can find it.

It is no secret that the pandemic has exacerbated these challenges. To combat decades of underfunding, historic amounts of funding were passed by Congress to stabilize— *emphasis on stabilize*— the child care sector under three legislative packages: the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), and the [American Rescue Plan \(ARP\) Act](#). Federal relief funding has been a game-changer for child care and early learning. States across the country have enacted

policies that lowered costs of care for families, raised wages for providers, and supported the supply and quality of child care programs. But the [timeline](#) for states to spend down this funding is quickly approaching— by September 2023, states must liquidate (or spend) funding under CARES, CRRSA, and the stabilization grant portion of the ARP Act. By September 2024, states must liquidate the last of the ARP Act federal relief dollars.

(SOME) STATES MAKE HEADWAY IN 2022

Federal relief funding has temporarily prevented widespread permanent program closures, but unfortunately, it has only addressed the surface of the enduring challenges child care has faced for decades. Child care programs remain short-staffed, and providers are burned out from long-standing under-compensation and the effects of the pandemic. Families continue to struggle to find and afford child care. In 2020, child care prices exceeded annual inflation [by nearly 4 percent](#). The cost of child care exceeds the annual cost of in-state tuition at public universities in all regions of the country.

The clock is ticking. Keenly aware of looming deadlines and the invaluable role that high-quality, affordable, and accessible child care plays to support families and the economy, states have begun to make their own bold investments in child care.



In fact, in 2021, the [National Conference of State Legislatures \(NCSL\)](#), found that state lawmakers enacted twice as many early care and education bills than NCSL tracks in a typical year. In 2022, states continue to invest in child care within their budgets and through stand-alone legislation.

By the end of June, many states have wrapped up their [regularly scheduled sessions](#) for the year, though some, like Ohio, remain in session through the end of the year and others, like Arkansas and Indiana, have special sessions called for this summer. In 2022, only four states— Montana, Nevada, North Dakota, and Texas— did not hold regularly scheduled sessions this year, as these four states only meet in odd-numbered years. During this year’s legislative sessions, states continued to allocate federal relief allotments (i.e., Delaware, New York, and Pennsylvania) while others have gone beyond federal relief and appropriated state general funding to make major investments in child care (i.e., Connecticut and Maine). States implemented significant policies during their 2022 legislative sessions to **support the early childhood educator workforce, strengthen the overall child care system, and improve access and affordability for families.**

The following table contains some legislative wins in states as of summer 2022 but is not exhaustive of all states or the policies passed this year.

<i>State Legislative Summary (Summer 2022)</i>	
<p>State Legislative Actions Supporting the ECE Workforce</p>	<ul style="list-style-type: none"> ● Colorado enacted legislation that allocates \$15 million from federal relief funding to establish an Early Care Recruitment and Retention Grant and Scholarship Program, of which, \$5 million must be dedicated for the home visiting workforce, early childhood mental health consultants, and early intervention providers. ● Connecticut's finalized state budget included a total of \$70 million in state funds to be used to supplement wages for each employed child care staffer in all child care settings. ● Delaware issued \$1,000 one-time bonuses using federal relief funding and passed legislation in both houses that focuses on strengthening the workforce through better compensation and career pathways. The bill would require an annual workforce study and require the state lead agency to consider implementing an educational loan forgiveness program, scholarships, and salary supplements based on higher levels of educational attainment. ● Georgia's budget provided a \$2,000 increase in the base salary of teachers in Georgia's preschool program. ● Maine's finalized budget included \$12 million in ongoing funding to supplement the wages of child care workers. This monthly wage enhancement of about \$200 was initially started with federal relief funds and is now a permanent policy that is being funded with state general funds. ● Maryland enacted eight pieces of child care legislation in 2022, of which one bill requires the state to distribute \$16 million in one-time bonuses to child care providers and their employees. ● New York allocated \$343 million of its federal relief funds to continue stabilization funds for child care providers, with 75% of the funds to be used for workforce initiatives.

State Legislative Summary (Summer 2022)

<p>State Legislative Actions Supporting the ECE Workforce</p>	<ul style="list-style-type: none"> ● Oregon included \$21 million in direct payments of \$500 each to early childhood educators. This funding will support one payment in 2022 and another in 2023 to providers. The state also invested \$39.3 million to support the establishment and expansion of child care providers, including recruitment, coaching, and start-up costs. ● Pennsylvania allocated \$90 million in federal relief funding to provide one-time child care staff recruitment and retention bonuses. ● Rhode Island passed legislation requiring a state recruitment and retention plan for early childhood educators, which must include adequate wages for providers in all settings. Using federal relief funds, the finalized state budget allocated another round of retention bonuses, expanded the state’s T.E.A.C.H. program, and developed an early educator workforce registry. ● Vermont included \$7 million in retention bonuses for child care staff and \$100,000 to support a pre-apprenticeship program for high school students interested in early childhood learning careers. ● Virginia expanded its early educator incentive grant program by an additional \$5 million, for a total of \$10 million per year, to support recruitment and retention efforts.
<p>State Legislative Actions Strengthening the Child Care System</p>	<ul style="list-style-type: none"> ● Colorado’s House Bill 213 created a family, friend, and neighbor (FFN) support programs, which include an advisory group and a training and grant program to advise the state on the needs of FFN providers and to make recommendations on changes to regulations, policies, funding, and procedures that would benefit the FFN community. ● Colorado’s House Bill 1295 established the functions of the Department of Early Childhood and the leadership of the department in administering early childhood, child health, and family support programs. It also creates the Colorado universal preschool program, which will provide at least 10 hours per week of free preschool services for children in the year before kindergarten, beginning with the 2023 school year. ● Connecticut included \$25 million in general funding to increase infant and toddler per child rates to \$13,500. This funding will create 1,300 new infant and toddler spaces. ● Delaware allocated \$20 million (20% increase) for its child care subsidy rates.

State Legislative Summary (Summer 2022)

State Legislative Actions Strengthening the Child Care System

- **Georgia** passed \$3.1 million to increase CCDF state funding to meet the state match and maximize existing federal funds.
- **Illinois'** budget includes \$54.4 million (10% increase) for preschool, center-based infant-toddler programs, and evidence-based home visiting services and \$2 million for a new program to increase access to off-hours child care services. The state also approved [legislation](#) aimed to better connect families in the state's child welfare system to early childhood services.
- **Louisiana** appropriated \$40 million in one-time funding to incentivize cities and parishes to invest in the expansion of high-quality early care and education.
- **Massachusetts'** included \$15 million for preschool expansion in the Commonwealth Preschool Partnership Initiative, \$15 million for CCR&Rs, and \$3.5 million for early childhood mental health.
- **New Jersey's** end-of-year budget included \$28 million for a competitive grant program to expand access to infant and toddler child care programs and extended the child care subsidy payments to be based on enrollment and not attendance.
- **New York** increased the market rate for reimbursement from the 69th to the 80th percentile.
- **Oregon** invested \$26 million to increase the amount of money providers who accept subsidies by raising rates to the 90th percentile of the 2020 market rate study.
- **Virginia** included in its budget \$7 million to expand its mixed-delivery preschool program, including a pilot serving infants and toddlers
- **Washington** allocated \$1,267,000 to reduce the background check process by 3-5 days, by eliminating the credit card payment and \$185,000 for Infant Early Childhood Mental Health Consultants can continue their work through 2022.

State Legislative Summary (Summer 2022)

State Legislative Actions Improving Access and Affordability for Families

- **Louisiana's** budget included \$9 million per year to bring back an Early Childhood Supports and Services program to provide infant and early childhood mental health, parent education, wrap-around services, and developmental screenings to get families into comprehensive supports and services.
- **Maryland** passed legislation to bolster its subsidy program. The bill grants presumptive eligibility for all subsidy applicants so they will receive a minimum of 60 days of child care subsidy for a period beginning on the day on which the individual submits a form. The state lead agency will be required to conduct a study on the process for presumptive eligibility with stakeholders and national experts and establish a process beginning in 2023.
- **New York** allocated federal relief funds in its budget to expand eligibility for child care subsidies to 300% of the federal poverty level, making more than 250,000 children newly eligible for assistance. It also capped family copays and [removed the work requirement](#) for post-secondary students as a condition of receiving child care assistance.
- **Pennsylvania** invested \$25 million to serve subsidized families currently enrolled in Child Care Works up to 300% of poverty or the state median income (whichever is lower).
- **Rhode Island's** budget increased the family income eligibility at entrance from 180% to 200% FPL and increases family income eligibility at exit from 225% to 300% FPL, makes permanent subsidy eligibility for low-income college students enrolled at Rhode Island public higher education institution, and maintains the 7% cap on family copayments.
- **Virginia's** final budget expanded allowances for child care subsidy program by reducing family copays, removing the 72-month time limit to receive assistance, allowing job search as an eligible activity, piloting categorical eligibility (Medicaid and WIC), increasing payments based on cost methodology, and increasing income eligibility up to 85% state median income.

LOCAL LEGISLATIVE ACTIONS

Cities and communities are also important players in the child care and early learning space. In 2022:

- **Atlanta's** Mayor Andre Dickens pledged \$5 million of city funds toward a \$20 million goal as part of a public-private partnership to invest in early education during his State of the City address. He asked Atlanta Public Schools to match this commitment and challenged the private sector to raise \$10 million to match the public sector contribution. The funding aims to invest in the infrastructure of early childhood education facilities and programming, provide funding for early childhood education teachers, and provide scholarships to families to improve access.
- **Boston's** Mayor Michelle Wu announced a \$20 million investment in early education through Boston's Universal Pre-Kindergarten (UPK) program. With this funding, Boston will revamp its funding formula, expand UPK to include family child care providers, and increase its capacity to offer 992 seats.
- **New York City** created a Care for All Fund to offer subsidies to low-income children without immigration documentation in New York City. A bill to eliminate immigration status and burdensome work documentation requirements to access child care assistance statewide failed to pass the New York's state legislature.

NEXT STEPS

The 2023 state legislative sessions are almost here, as most states will be back in session in January. As states spend down their relief funding over the next year, it will be critical to keep advocating for child care and early learning policies at the state level. While some of the legislative actions noted above have been big policy wins for families, providers, and children, not every state has made bold reforms for child care and early learning. That leaves a patchwork of early learning access across the country. In 2023, we must make child care investments a priority in all state houses and at the federal level.

CCAOA thanks its Child Care Resource and Referral (CCR&Rs) network and other state child care and early learning partners for providing the comprehensive legislative summaries that this table shares examples from (all summaries are linked throughout the chart above). If you'd like to include your state's policy wins in the chart above, please reach out to Diane Girouard at Diane.Girouard@usa.childcareaware.org.