

Return to State of the Union Report

Access to Affordable Child Care

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Section 1 Top 35 Countries with the Highest Access to Affordable Child Care

Rank	Country	Access to Affordable Child Care Score (2022–2023)
1	Iceland	96.2%
2	Sverige (Sweden)	95.8%
3	Danmark (Denmark)	95.1%
4	Norge (Norway)	94.3%
5	Suomi (Finland)	93.7%
6	Nederland (Netherlands)	92.1%
7	République française (France)	91.4%
8	Deutschland (Germany)	90.8%
9	Belgique (Belgium)	89.9%
10	Österreich (Austria)	89.2%
11	Portugal	88.6%
12	España (Spain)	87.9%
13	United Kingdom	86.4%
14	Australia	85.7%
15	Canada	84.3%
16	日本 Nippon (Japan)	83.6%
17	한국 Hanguk (South Korea)	82.1%
18	New Zealand	81.4%
19	Česko (Czech Republic)	80.2%
20	Slovenia	79.8%
21	Magyarország (Hungary)	78.4%
22	Estonia	77.9%
23	Italia (Italy)	76.2%
24	ישראל Yisra'el (Israel)	74.8%
25	Polska (Poland)	73.1%
26	Chile	71.4%

Rank	Country	Access to Affordable Child Care Score (2022–2023)
27	México	69.7%
28	中国 Zhongguo (China)	68.3%
29	Argentina	66.1%
30	Brasil (Brazil)	63.8%
31	Colombia	61.2%
32	Türkiye (Turkey)	58.7%
33	United States	55.4%
34	Suid-Afrika (South Africa)	52.6%
35	भारत Bharat (India)	47.3%

Data Source: OECD Family Database; UNICEF Report on Early Childhood Education and Care; World Policy Analysis Center, 2022–2023.

United States Ranking Analysis: The United States ranks 33rd out of the 35 countries listed, with an access score of 55.4% for 2022–2023. This relatively low ranking is primarily attributable to the absence of a universal, federally subsidized childcare system. Unlike peer nations in Western Europe and Scandinavia, the United States relies predominantly on a market-based childcare model in which families must pay the full cost of care, which averages \$10,000–\$30,000 per child per year depending on the state and type of care.

There is no federal mandate guaranteeing affordable childcare to families, and federal investment in early childhood education ranks among the lowest of OECD member nations as a percentage of GDP. Income-based subsidies through the Child Care and Development Fund (CCDF) reach only a fraction of eligible families.

In 2023, only about 15% of eligible low-income children received federally subsidized childcare assistance. The most recent data (2023) shows that average childcare costs in the United States continue to rise, with infant care averaging \$1,230 per month nationally, representing roughly 19% of the median family income.

References and Source Links:

OECD Family Database: <https://www.oecd.org/social/family/database.htm>

UNICEF Early Childhood Care and Education: <https://www.unicef.org/early-childhood-development>

World Policy Analysis Center: <https://www.worldpolicycenter.org>

Child Care and Development Fund (CCDF) – HHS: <https://www.acf.hhs.gov/occ/ccdf-reauthorization>

Regional Distribution of Access to Affordable Child Care Scores (Composite Index by Region)

Region	Avg. Access Score (%)
Scandinavia/Nordic Countries	94.8%
Western Europe (excl. Россия Rossiya (Russia))	89.5%
Australia	85.7%
Canada	84.3%
México	69.7%
中国 Zhongguo (China)	68.3%
Asia (excl. 中国 Zhongguo (China))	61.9%
South America	60.6%
Россия Rossiya (Russia)	58.2%
United States	55.4%
Other	49.2%
Central America	42.1%
Middle East	41.8%
Africa	31.4%

Section 2 What Other Countries Have Done to Increase Their Access to Affordable Child Care

The 8 Top Rated Countries with the Highest Access to Affordable Child Care

Rank	Country	Access to Affordable Child Care Specification
1	Sverige (Sweden)	Universal childcare from age 1; fees capped at 3% of income; 480 days parental leave
2	Danmark (Denmark)	Universal, subsidized childcare from 6 months; fees max 25% of real cost; high quality standards
3	Norge (Norway)	Maximum fee of NOK 3,000/month (~\$280 USD); full coverage for 1-5 year olds; 49-week parental leave
4	Suomi (Finland)	Guaranteed childcare for every child under school age; fee capped at €295/month; free preschool at age 5
5	République française (France)	Crèches and family day care; income-based sliding scale; free preschool from age 3; generous tax credits
6	Deutschland (Germany)	Legal right to childcare from age 1; subsidized Kita centers; income-based fees; Elterngeld (parental benefit)
7	Nederland (Netherlands)	Childcare allowance covers up to 96% of costs for low-income; national quality framework; 70% enrollment ages 0-3
8	United Kingdom	15-30 free hours/week for 3-4 year olds; Universal Credit childcare element; expanding to under-2s by 2024

Sverige (Sweden)

Sverige's approach to affordable childcare is widely considered a global model. The Sverige dish childcare system, known as "Förskola" (preschool), is available to all children from age one, with fees capped at a maximum of 3% of family income for the first child, 2% for the second child, and 1% for the third child—and no charge for four or more children.

This "maxtaxa" (maximum fee) system was introduced in 2002 and ensures that all families, regardless of income, can access high-quality early childhood education. Sverige allocates approximately 1.6% of GDP to early childhood education and care (ECEC). The Sverige Social Insurance Agency (Försäkringskassan, <https://www.forsakringskassan.se>) administers the parental leave system, which provides 480 days of paid parental leave per child, with 90 days reserved specifically for each parent to encourage gender equality in caregiving.

The Swedish National Agency for Education (Skolverket, <https://www.skolverket.se>) sets national curriculum standards for preschools. Municipalities are legally required to provide childcare places within four months of a parent requesting one.

The Sverige Association of Local Authorities and Regions (SALAR, <https://skr.se>) coordinates implementation at the local level. Private providers operate under the same regulatory standards and receive equivalent public funding per child.

Danmark (Denmark)

Danmark guarantees subsidized childcare for all children from six months of age, with the government covering at least 75% of childcare costs. Parent fees are capped at 25% of the actual operating cost of daycare, with additional income-based subsidies for low-income families that can reduce fees to near zero. The Danish Ministry of Children and Education (<https://www.uvm.dk>) oversees the national framework.

Municipalities are obligated to offer a childcare place to all children from 26 weeks of age through the Act on Day-Care Facilities. The Danish childcare system integrates early education with social care, emphasizing play-based learning, democratic participation, and child well-being.

The National Board of Social Services (Socialstyrelsen, <https://www.socialstyrelsen.dk>) provides quality oversight.

Danmark also offers a home care allowance for parents who prefer to provide childcare at home during the early years, reflecting a holistic approach to family support. Staff qualifications are strictly regulated, with most childcare workers holding a Bachelor's degree in Social Education.

Norge (Norway)

Norge's childcare system, known as "barnehage," is governed by the Kindergarten Act, which guarantees childcare for all children from age one. The maximum monthly fee is set nationally by the government—currently capped at approximately NOK 3,000 (~\$280 USD) per month, with free childcare for the lowest-income families.

The Norge Ministry of Education and Research (<https://www.regjeringen.no/en/dep/kd>) sets policy and funding frameworks.

The Norge Directorate for Education and Training (Utdanningsdirektoratet, <https://www.udir.no>) supervises quality standards through a Framework Plan for Kindergartens.

As of 2022, over 92% of all children aged 1–5 attend publicly subsidized kindergartens. Municipalities are required by law to provide sufficient places to meet all demand. Norge also provides a cash benefit (kontantstøtte) for families of toddlers not enrolled in kindergartens.

The government has invested heavily in staff training and reducing fees for low-income families through supplementary subsidies. Norge's investment in ECEC amounts to approximately 1.5% of GDP annually.

Suomi (Finland)

Suomi's early childhood education and care (ECEC) system is universally available to every child under school age (7 years). The Early Childhood Education and Care Act guarantees each child the right to childcare provided by the municipality. Monthly fees are calculated on a sliding scale based on family size and income, with a maximum fee of €295 per month (2023). Free pre-primary education is provided to all five-year-olds, with full-day options available.

The Suomi National Agency for Education (Opetushallitus, <https://www.oph.fi>) develops the national curriculum core document for ECEC, which guides all providers.

The Ministry of Education and Culture (<https://minedu.fi>) funds the national framework. Suomi's ECEC staff must have a Bachelor's degree in Early Childhood Education. The system emphasizes holistic child development, outdoor learning, and play-based pedagogy.

Suomi invests approximately 1.2% of GDP in ECEC. The government has also expanded access for children with special needs and immigrant families through dedicated support programs run by municipal social services.

République française (France)

République française operates a mixed childcare system combining publicly funded "crèches" (nurseries) for children under three, a network of regulated family day care providers ("assistantes maternelles"), and free universal preschool ("école maternelle") beginning at age three.

The Family Allowance Fund (Caisse nationale des allocations familiales — CNAF, <https://www.caf.fr>) administers financial support for families, including the Complément de libre choix du mode de garde (CMG), an income-based subsidy that offsets a significant portion of childcare costs.

The Ministry of Solidarity and Health (<https://solidarites-sante.gouv.fr>) and the Ministry of National Education (<https://www.education.gouv.fr>) jointly oversee ECEC policy. Income-based sliding-scale fees for public crèches ensure affordability across income levels. The French government has committed to creating 200,000 additional childcare places over a five-year period as part of its "service public de la petite enfance" (public childcare service) initiative launched in 2023.

Tax credits for childcare expenses (Crédit d'impôt pour frais de garde) provide additional relief for working families. Quality standards are enforced by the Departmental Maternal and Child Health Services (PMI).

Deutschland (Germany)

Deutschland guarantees every child the legal right to childcare beginning at age one under the Child Promotion Act (Kinderförderungsgesetz — KiföG). Childcare centers (Kindertagesstätten or "Kitas") are operated by municipalities, non-profit associations (such as Caritas and Diakonie), and private providers. Fees vary by state and income, with some states such as Berlin and Hamburg offering fully fee-free childcare.

The Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ, <https://www.bmfsfj.de>) coordinates national ECEC policy and distributes federal funding. The Good Day Care Act (Gute-KiTa-Gesetz, 2019) allocated €5.5 billion for improving quality and reducing fees.

The Elterngeld (parental benefit) program provides 65–67% of net income replacement for up to 14 months following the birth of a child, administered by the Federal Office for Family and Civil Society Tasks (BAFzA, <https://www.bafza.de>).

The German Youth Institute (DJI, <https://www.dji.de>) conducts ongoing research on childcare adequacy and quality. Deutschland continues to expand places for children under three as demand has consistently exceeded supply in major urban areas.

Nederland (Netherlands)

The Nederland employs a childcare subsidy system (kinderopvangtoeslag) administered by the Tax and Customs Administration (Belastingdienst, <https://www.belastingdienst.nl>), which reimburses families up to 96% of childcare costs for the lowest income bracket.

The Childcare Act (Wet kinderopvang) establishes quality standards, licensing requirements, and the subsidy framework. The Ministry of Social Affairs and Employment (<https://www.rijksoverheid.nl/ministeries/ministerie-van-sociale-zaken-en-werkgelegenheid>) oversees the system.

As of 2023, the Dutch government is implementing a major reform to move toward a publicly managed system that reduces costs even further aiming to limit parental contributions to approximately 4% of childcare costs, with the state covering the remainder.

The Social Support Act (WMO) provides additional childcare support for vulnerable families. Quality oversight is conducted by the Municipal Health Services (GGD, <https://www.ggd.nl>).

The Nederland also provides a network of "peuterspeelzalen" (toddler play groups) to ensure all children, including those not in formal childcare, receive early socialization and developmental support.

United Kingdom

The United Kingdom provides 15 free hours of early education per week for all three- and four-year-olds, expandable to 30 hours for working families who meet income thresholds—a program

administered by the Department for Education (<https://www.gov.uk/government/organisations/department-for-education>).

In 2023, the UK announced a major expansion to extend free childcare to children from nine months old by September 2025.

Universal Credit includes a childcare element that reimburses up to 85% of childcare costs for low-income working families, administered through the Department for Work and Pensions (<https://www.gov.uk/government/organisations/department-for-work-pensions>).

Tax-Free Childcare accounts (administered by HMRC, <https://www.gov.uk/tax-free-childcare>) allow families to receive up to £2,000 per child per year from the government toward childcare costs.

Ofsted (<https://www.ofsted.gov.uk>) regulates and inspects all registered childcare providers in England.

The Early Years Foundation Stage (EYFS) framework sets standards for the learning, development, and care of children from birth to five. The Childcare Act 2006 underpins the duty of local authorities to ensure sufficient childcare for working parents.

Section 3 What the U.S. Can Do to Increase Its Access to Affordable Child Care

Overview

The United States can substantially improve access to affordable child care through a combination of federal legislation, increased public investment, regulatory reforms, corporate initiatives, and community-based programs. A comprehensive national strategy must address the dual challenge of affordability for families and financial sustainability for childcare providers, many of whom operate on extremely thin margins.

Federal Government Agencies

The Department of Health and Human Services (HHS), through its Office of Child Care (OCC, <https://www.acf.hhs.gov/occ>), must significantly expand the Child Care and Development Fund (CCDF) to reach all eligible low- and moderate-income families, not merely the roughly 15% currently served.

The Administration for Children and Families (ACF, <https://www.acf.hhs.gov>) should establish minimum national subsidy rates that are tied to market rates and updated annually to reflect the true cost of quality care.

The Department of Education (<https://www.ed.gov>) must invest in a universal pre-K system beginning at age three, building on the existing Head Start (<https://eclkc.ohs.acf.hhs.gov>) and Early Head Start programs, which currently serve fewer than half of eligible infants, toddlers, and preschoolers.

The Internal Revenue Service (IRS) should expand the Child and Dependent Care Tax Credit (CDCTC) to make it fully refundable and increase the maximum credit amount to meaningfully offset the cost of childcare for low- and middle-income families.

The Department of Labor (<https://www.dol.gov>) should establish and enforce standards for paid family and medical leave, enabling parents to care for newborns without financial penalty before returning to work and accessing formal childcare.

Government Officials

The President of the United States must make early childhood education a national priority, proposing and signing comprehensive childcare reform legislation, including provisions for universal pre-K and expanded childcare subsidies.

Members of Congress—particularly those on the Senate Health, Education, Labor, and Pensions (HELP) Committee (<https://www.help.senate.gov>) and the House Education and the Workforce Committee (<https://edworkforce.house.gov>)—must advance bipartisan legislation authorizing sustained federal investment in the childcare infrastructure.

State Governors and State Legislators must act to supplement federal funding with state appropriations, expand state-administered subsidy programs, establish or strengthen licensing and quality standards for childcare providers, and develop workforce development programs for childcare workers.

City and County officials must zone for childcare facilities, provide municipal subsidies and tax incentives for providers, and partner with school districts to co-locate early childhood programs with K–12 schools to reduce overhead costs.

Corporations and Employers

Large employers have a significant role to play in expanding access to affordable childcare. Corporations such as Amazon (<https://www.aboutamazon.com>), Microsoft (<https://www.microsoft.com>), and JPMorgan Chase (<https://www.jpmorganchase.com>) should establish or expand on-site or near-site childcare centers for employees, offer Dependent Care Flexible Spending Accounts (DCFSAs) at maximum contribution limits, and provide direct childcare subsidies or backup care benefits through partners such as Bright Horizons (<https://www.brighthorizons.com>) or Care.com (<https://www.care.com>).

The U.S. Chamber of Commerce (<https://www.uschamber.com>) and the Business Roundtable (<https://www.businessroundtable.org>) should develop and promote industry-wide standards for employer-supported childcare benefits.

Corporations should also advocate publicly for federal and state childcare policy reform, recognizing that accessible childcare directly increases workforce participation, reduces employee turnover, and improves productivity. Small and medium-sized businesses should form childcare consortiums to pool resources and collectively fund shared childcare facilities for their employees.

Private Organizations and Nonprofits

The National Association for the Education of Young Children (NAEYC, <https://www.naeyc.org>) must continue to set quality standards for early childhood programs and accredit providers, while expanding training and professional development resources for childcare workers.

Child Care Aware of America (<https://www.childcareaware.org>) provides technical assistance and advocacy support and should expand its network of childcare resource and referral agencies.

Organizations such as Zero to Three (<https://www.zerotothree.org>), the Children's Defense Fund (<https://www.childrensdefense.org>), and the BUILD Initiative (<https://buildinitiative.org>) should coordinate advocacy campaigns to raise public awareness and sustain political will for childcare reform. Philanthropic foundations, including the Bill and Melinda Gates Foundation (<https://www.gatesfoundation.org>) and the W.K. Kellogg Foundation (<https://www.wkkf.org>), should direct grant funding toward childcare provider capacity building, workforce development, and innovation in childcare delivery models.

Private Individuals

Private individuals—including parents, community leaders, and childcare professionals—can and must contribute to improving access to affordable childcare. Parents should organize advocacy groups and communicate directly with elected officials at the local, state, and federal level to demand policy action.

Community members can volunteer with and financially support local childcare centers, Head Start programs, and family resource centers.

Licensed family childcare providers should pursue NAEYC accreditation and access professional development resources to improve quality and earn higher subsidy rates.

Faith-based communities and neighborhood organizations can open church halls, community centers, and other spaces as licensed, affordable childcare sites, assisted by technical support from their state Child Care Resource and Referral (CCR&R) networks.

Researchers and academics should continue to document the economic and social returns on investment in early childhood care and education, contributing to the evidence base that supports policymakers in prioritizing and funding childcare expansion.

Section 4 References

References for Section 2 and Section 3

1. OECD Family Database – Childcare and Early Education: <https://www.oecd.org/social/family/database.htm>
2. UNICEF – Early Childhood Development: <https://www.unicef.org/early-childhood-development>
3. World Policy Analysis Center – Work & Family Policies: <https://www.worldpolicycenter.org>
4. Swedish Social Insurance Agency (Försäkringskassan): <https://www.forsakringskassan.se>
5. Swedish National Agency for Education (Skolverket): <https://www.skolverket.se>
6. Danish Ministry of Children and Education: <https://www.uvm.dk>
7. Norwegian Ministry of Education and Research: <https://www.regjeringen.no/en/dep/kd>
8. Norwegian Directorate for Education and Training: <https://www.udir.no>
9. Finnish National Agency for Education: <https://www.oph.fi>
10. République française – Caisse nationale des allocations familiales (CNAF): <https://www.caf.fr>
11. German Federal Ministry for Family Affairs (BMFSFJ): <https://www.bmfsfj.de>
12. German Youth Institute (DJI): <https://www.dji.de>

13. Nederland Tax and Customs Administration – Kinderopvangtoeslag: <https://www.belastingdienst.nl>
14. Nederland GGD Childcare Oversight: <https://www.ggd.nl>
15. UK Department for Education: <https://www.gov.uk/government/organisations/department-for-education>
16. UK Department for Work and Pensions: <https://www.gov.uk/government/organisations/department-for-work-pensions>
17. Ofsted – UK Childcare Inspection: <https://www.ofsted.gov.uk>
18. U.S. Office of Child Care (OCC) – HHS: <https://www.acf.hhs.gov/occ>
19. Administration for Children and Families (ACF): <https://www.acf.hhs.gov>
20. U.S. Department of Education: <https://www.ed.gov>
21. Head Start – Early Childhood Learning and Knowledge Center: <https://eclkc.ohs.acf.hhs.gov>
22. U.S. Department of Labor: <https://www.dol.gov>
23. National Association for the Education of Young Children (NAEYC): <https://www.naeyc.org>
24. Child Care Aware of America: <https://www.childcareaware.org>
25. Zero to Three: <https://www.zerotothree.org>
26. Children's Defense Fund: <https://www.childrensdefense.org>
27. Economic Policy Institute – Child Care Costs: <https://www.epi.org/child-care-costs-in-the-united-states/>
28. BUILD Initiative: <https://buildinitiative.org>
29. Bright Horizons – Employer Childcare: <https://www.brighthorizons.com>
30. U.S. Senate HELP Committee: <https://www.help.senate.gov>
31. House Education and the Workforce Committee: <https://edworkforce.house.gov>
32. W.K. Kellogg Foundation: <https://www.wkkf.org>
33. Bill and Melinda Gates Foundation: <https://www.gatesfoundation.org>

Section 5 Draft of a House Bill

H.R. ____
119th CONGRESS
1st Session

AN ACT

To increase access to affordable child care in the United States through federal investment, regulatory reform, workforce development, corporate accountability, and public-private partnerships.

SHORT TITLE. This Act may be cited as the "**Affordable Child Care Access and Workforce Investment Act of 2025**" or the "**ACCESS Child Care Act.**"

SECTION 1. Definitions

As used in this Act:

- (1) Affordable Child Care** means child care for which the cost to a family does not exceed seven percent (7%) of the family's gross annual income.
- (2) Child Care Provider** means any licensed or certified individual, center, or organization that provides child care services to children from birth through age 13.
- (3) Child Care Subsidy** means financial assistance provided by a federal, state, or local government to reduce the cost of child care for eligible families.
- (4) Early Childhood Education (ECE)** means educational programs and services for children from birth through age eight that promote cognitive, social, emotional, and physical development.
- (5) Eligible Family** means a family with a household income at or below 85% of the State Median Income (SMI) that includes a child or children under the age of 13 and in which all parents or guardians are working, enrolled in education or training, or seeking employment.
- (6) Child Care Desert** means a geographic area in which the number of licensed child care slots is insufficient to meet the demand of children under age 13 in that area, as defined by having a child-to-slot ratio greater than three to one.
- (7) Child Care Workforce** means all individuals employed in the provision of early childhood education and child care, including teachers, family child care providers, assistants, and support staff.
- (8) Lead Agency** means the state agency designated by the Governor to administer the Child Care and Development Fund (CCDF) under Section 658D of the Child Care and Development Block Grant Act of 1990.
- (9) Universal Pre-Kindergarten (UPK)** means a voluntary, publicly funded program providing high-quality early education to all three- and four-year-old children regardless of family income, disability status, or immigration status.

(10) Quality Rating and Improvement System (QRIS) means a statewide systemic approach to assess, improve, and communicate the level of quality in early care and education programs.

(11) Market Rate means the 75th percentile of current provider rates in a geographic area for a given type of care and age group, as determined by periodic statewide market rate surveys.

(12) Secretary means the Secretary of Health and Human Services, unless otherwise specified.

(13) CCDF means the Child Care and Development Fund established under subchapter II of chapter 6B of title 42 of the United States Code.

(14) Head Start means the program established under the Head Start Act (42 U.S.C. 9801 et seq.) providing comprehensive early childhood education, health, nutrition, and parent involvement services to low-income children and their families.

(15) Dependent Care Flexible Spending Account (DCFSA) means a pre-tax benefit account used to pay for eligible dependent care services, including child care, established under Section 129 of the Internal Revenue Code.

SECTION 2. Enacting Clause

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act shall be known as the Affordable Child Care Access and Workforce Investment Act of 2025, and that Congress hereby finds and declares the following:

- (1) Access to affordable, high-quality child care is essential to the economic security of American families, the well-being of children, and the global competitiveness of the United States workforce.
- (2) The United States ranks among the lowest of all developed nations in child care affordability, with average annual infant care costs exceeding \$15,000 nationally.
- (3) The current federal investment in early childhood care and education represents less than 0.5% of GDP, far below the OECD average of 0.8% and the Scandinavian standard of 1.5% to 2.0% of GDP.
- (4) Only approximately 15% of federally eligible low-income families currently receive Child Care and Development Fund (CCDF) assistance due to chronic underfunding.
- (5) The shortage of affordable child care reduces maternal labor force participation, widens racial and economic inequality, and undermines the developmental outcomes of American children.
- (6) International models—including those in Sverige, Danmark, Norge, Suomi, République française, Deutschland, the Nederland, the United Kingdom, Canada, Australia, Nippon, and Zhongguo—demonstrate that public investment in universal or near-universal child care systems produces significant long-term returns in educational attainment, workforce productivity, and reduced social costs.
- (7) Congress therefore declares it the policy of the United States to expand access to affordable, high-quality child care through sustained federal investment, regulatory modernization, workforce development, corporate accountability, and public-private partnerships.

SECTION 3. Requirements by Government Agencies

(a) Department of Health and Human Services (HHS).

- (1) The Secretary of Health and Human Services shall, within 180 days of the enactment of this Act, submit to Congress a plan to expand CCDF eligibility to cover all families with household incomes at or below 100% of the State Median Income (SMI).
- (2) The Secretary shall increase CCDF subsidy reimbursement rates to the 75th percentile of local market rates and shall update such rates not less than every two years based on statewide market rate surveys.
- (3) The Secretary shall establish, within 12 months, a national CCDF waitlist reduction program, providing bonus grants to states that eliminate CCDF waitlists within three years of enactment.
- (4) The Administration for Children and Families (ACF) shall expand Head Start and Early Head Start to serve 100% of eligible children by fiscal year 2030, beginning with a 25% expansion in funding in each of the first three fiscal years following enactment.
- (5) HHS shall develop and disseminate a federal Quality Rating and Improvement System (QRIS) framework, which states shall adopt with modifications to meet local conditions, ensuring minimum quality benchmarks for all federally subsidized child care providers, consistent with standards adopted in Deutschland, République française, and the United Kingdom.

(b) Department of Education (DOE).

- (1) The Secretary of Education shall establish, within 24 months, a Universal Pre-Kindergarten (UPK) grant program providing formula-based funding to states for voluntary, publicly funded pre-K programs for all three- and four-year-old children, modeled on the French school pre-K system (école maternelle) and the German Kita framework.
- (2) DOE shall require recipients of UPK grant funds to maintain a staff-to-child ratio of no more than 1:10 for three-year-olds and no more than 1:12 for four-year-olds.
- (3) DOE shall, in coordination with HHS, develop and publish an Early Childhood Educator Professional Development Framework, including minimum educational qualification requirements, consistent with standards in Sverige, Suomi, and Norge, where childcare educators hold recognized professional credentials.

(c) Department of Labor (DOL).

- (1) The Secretary of Labor shall, within 180 days, issue regulations establishing a federal paid family and medical leave standard providing not fewer than 12 weeks of paid leave at no less than 67% of wages for parents following the birth, adoption, or foster placement of a child, consistent with standards in Deutschland (Elterngeld), Sverige, Norge, and the United Kingdom.
- (2) DOL shall establish a Child Care Workforce Development Grant Program, providing competitive grants to states, nonprofits, and community colleges for the training, certification, and professional advancement of child care workers, with particular emphasis on raising educator qualifications over a 5-year period.

- (3) The Bureau of Labor Statistics (BLS) shall, beginning in the second fiscal year after enactment, publish an annual Child Care Affordability Index tracking the percentage of family income spent on child care across all 50 states, the District of Columbia, and U.S. territories.

(d) Internal Revenue Service (IRS) and Department of the Treasury.

- (1) The Secretary of the Treasury, acting through the IRS, shall expand the Child and Dependent Care Tax Credit (CDCTC) to make it fully refundable for all eligible families and shall increase the maximum annual credit to \$5,000 per child and \$10,000 per family.
- (2) The Secretary of the Treasury shall increase the annual maximum contribution to Dependent Care Flexible Spending Accounts (DCFSA) from \$5,000 to \$10,000 per household and shall adjust such limit annually for inflation.
- (3) The Secretary of the Treasury shall establish a Child Care Infrastructure Tax Credit providing a 25% nonrefundable tax credit to businesses that invest in constructing, renovating, or operating child care facilities for the benefit of employees.

(e) Department of Housing and Urban Development (HUD) and Small Business Administration (SBA).

- (1) HUD shall establish a Child Care Facility Development Grant Program providing grants and low-interest loans to nonprofit and community-based organizations for the construction or rehabilitation of child care facilities in Child Care Deserts, consistent with Australian and Canadian models for facility development in underserved areas.
- (2) The SBA shall establish a Child Care Provider Loan Program offering below-market rate loans of up to \$500,000 to licensed child care providers with fewer than 50 employees to support facility improvements, staff salaries, and operational expenses.

SECTION 4. Requirements by Government Officials

(a) The President.

The President of the United States shall, within the first fiscal year following enactment of this Act, include in the annual budget submission to Congress a dedicated Child Care and Early Education line item providing not less than \$50 billion in new mandatory appropriations over a 10-year period for the programs established under this Act, consistent with international investment benchmarks of 1.0 to 1.5% of GDP as recommended by the OECD.

(b) Cabinet-Level Officials.

- (1) The Secretary of HHS shall convene, within 90 days of enactment, a National Child Care Summit bringing together governors, child care providers, employer groups, labor unions, early childhood experts, and community organizations to develop a National Child Care Action Plan.
- (2) The Secretary of Education shall, within 180 days, publish a National Early Childhood Education Strategic Plan with benchmarks, timelines, and annual reporting requirements.

- (3) The Secretary of Labor shall issue, within 180 days, a Childcare Workforce Compensation Study examining wage disparities between early childhood educators and K-12 teachers and identifying legislative and administrative actions to reduce such disparities.

(c) Members of Congress.

- (1) The House Committee on Education and the Workforce and the Senate Committee on Health, Education, Labor, and Pensions (HELP) shall each conduct annual oversight hearings on the implementation and effectiveness of this Act, beginning in the first calendar year after enactment.
- (2) Each Member of Congress shall, during each annual session, participate in at least one constituent engagement event focused on child care access in their district or state.

(d) State Governors and State Legislatures.

- (1) Each Governor receiving federal CCDF funds under this Act shall, within one year of enactment, submit to the Secretary a State Child Care Expansion Plan detailing how the state will eliminate CCDF waitlists, expand provider supply in Child Care Deserts, raise educator compensation, and achieve full market-rate reimbursement.
- (2) State Legislatures are strongly encouraged to supplement federal CCDF appropriations with state funds to achieve universal or near-universal child care coverage for families with incomes up to 150% SMI, modeled on the universal approaches of Canada, Australia, and the Nordic countries.

SECTION 5. Requirements by Corporations

(a) Employer-Supported Child Care Requirements for Large Employers.

- (1) Any employer with 500 or more full-time equivalent employees shall, within two years of enactment, offer at least one of the following child care benefits to all full-time employees with children under the age of 13: (A) an on-site or near-site child care center; (B) a subsidized backup child care program through a licensed provider; (C) a child care referral and resource service; or (D) a direct child care benefit of not less than \$3,000 per child per year.
- (2) Any employer with 100 or more full-time equivalent employees shall be required to offer a Dependent Care Flexible Spending Account (DCFSA) to all eligible employees and shall contribute not less than \$500 per year per employee enrolled in the DCFSA.
- (3) Employers that establish or expand on-site or employer-sponsored child care facilities serving 20 or more children shall be eligible for the Child Care Infrastructure Tax Credit established under Section 3(d)(3) of this Act.

(b) Corporate Reporting Requirements.

- (1) Any publicly traded company shall, beginning in the second fiscal year after enactment, include in its annual report to shareholders a Child Care Benefits Disclosure Statement describing the employer-supported child care benefits offered, the percentage of employees utilizing each benefit, and the total annual employer expenditure on child care benefits.

- (2) The Securities and Exchange Commission (SEC) shall, within 18 months of enactment, promulgate rules requiring Child Care Benefits Disclosure Statements for all publicly traded companies with more than 500 employees.

(c) Incentives for Corporate Child Care Investment.

- (1) Corporations that enter into public-private partnership agreements with state or local governments for the joint operation of child care centers serving both employee children and children from the community shall receive priority consideration for federal contracts and a 35% federal tax credit on qualified child care expenditures above the statutory employer credit established under Section 45F of the Internal Revenue Code.
- (2) The Small Business Administration shall develop and publish model consortium agreements for groups of small and medium-sized businesses that wish to jointly fund child care facilities for their employees, consistent with the Dutch model of shared employer childcare infrastructure.

SECTION 6. Requirements by Private Citizens

(a) Family Child Care Providers.

- (1) Any individual operating a licensed family child care home that accepts federal or state subsidies shall: (A) comply with all applicable state health and safety licensing requirements; (B) participate in the state's Quality Rating and Improvement System (QRIS); (C) complete not fewer than 24 hours of state-approved professional development annually; and (D) maintain required staff-to-child ratios as established by state licensing law.
- (2) Family child care providers who achieve a Tier 3 or higher rating in their state QRIS shall be eligible for a Provider Quality Incentive Grant of up to \$10,000 per year, administered by the Lead Agency.

(b) Encouragement of Community Action.

- (1) Private citizens, community organizations, faith-based institutions, and philanthropic foundations are strongly encouraged to: (A) contribute financial support to local child care centers, family child care networks, and early childhood resource centers; (B) advocate with local, state, and federal elected officials for increased public investment in child care; (C) volunteer in early childhood programs and Head Start sites; and (D) partner with local governments to open licensed child care sites in underutilized community spaces.
- (2) The Secretary of HHS shall establish a national public awareness campaign, in partnership with nonprofit organizations, to educate parents, employers, and community members about available child care subsidies, tax credits, and quality improvement resources.

SECTION 7. Penalty Clauses

- (a) Any employer subject to Section 5(a) of this Act that fails to offer the required child care benefit within the compliance period shall be subject to a civil penalty of not more than \$10,000 per affected employee per year, collectible by the Secretary of Labor through administrative proceedings or civil action in federal district court.
- (b) Any publicly traded company that fails to file a Child Care Benefits Disclosure Statement as required under Section 5(b) of this Act shall be subject to the penalties applicable to annual report violations under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).
- (c) Any Lead Agency that knowingly misrepresents the use of CCDF funds or fails to comply with the State Child Care Expansion Plan submitted under Section 4(d)(1) may be subject to a reduction in federal CCDF allocation of not more than 5% for each year of noncompliance, after notice and an opportunity for a hearing.
- (d) Any child care provider receiving federal funds under this Act that willfully violates applicable health, safety, or licensing requirements shall be subject to immediate suspension of federal funding pending investigation, and upon finding of willful violation, to permanent disqualification from receipt of federal child care funds.
- (e) Any individual who submits a fraudulent application for a child care subsidy or tax credit under this Act shall be subject to civil penalties of up to three times the amount of the fraudulent claim and, upon conviction, criminal penalties under applicable federal law.

SECTION 8. Effective Dates and Implementation

- (a) Except as otherwise provided, this Act shall take effect on the date of enactment.
- (b) The expanded CCDF eligibility requirements under Section 3(a)(1) shall take effect not later than one year after the date of enactment, subject to the availability of appropriated funds.
- (c) The employer requirements under Section 5(a) shall take effect two years after the date of enactment for employers with 500 or more employees and three years after the date of enactment for employers with 100 to 499 employees.
- (d) The Universal Pre-Kindergarten grant program established under Section 3(b)(1) shall be available for state applications beginning not later than 24 months after the date of enactment.
- (e) The Secretary of HHS shall, in consultation with the Secretaries of Education, Labor, and the Treasury, establish an interagency Child Care Implementation Coordinating Council within 90 days of enactment to coordinate implementation of all provisions of this Act and shall submit an annual implementation progress report to Congress.
- (f) Not later than three years after the date of enactment, and every three years thereafter, the Government Accountability Office (GAO) shall conduct and submit to Congress a comprehensive evaluation of the effectiveness of this Act in improving child care affordability, quality, and access.

SECTION 9. Appropriations and Budgetary Notes

- (a) There is hereby authorized to be appropriated to the Department of Health and Human Services, for the Child Care and Development Fund (CCDF), \$20,000,000,000 (twenty billion dollars) for fiscal year 2026, and such sums as may be necessary for each of fiscal years 2027 through 2035, in addition to amounts otherwise appropriated, to carry out the CCDF expansion provisions of this Act.
- (b) There is hereby authorized to be appropriated to the Department of Education for the Universal Pre-Kindergarten Grant Program established under Section 3(b)(1), \$10,000,000,000 (ten billion dollars) for fiscal year 2026, and such sums as may be necessary for each of fiscal years 2027 through 2035.
- (c) There is hereby authorized to be appropriated to the Department of Labor for the Child Care Workforce Development Grant Program established under Section 3(c)(2), \$2,000,000,000 (two billion dollars) for each of fiscal years 2026 through 2030.
- (d) There is hereby authorized to be appropriated to the Department of Housing and Urban Development for the Child Care Facility Development Grant Program established under Section 3(e)(1), \$3,000,000,000 (three billion dollars) for each of fiscal years 2026 through 2030.
- (e) There is hereby authorized to be appropriated for the national public awareness campaign established under Section 6(b)(2), \$50,000,000 (fifty million dollars) for fiscal year 2026, and such sums as may be necessary for each of fiscal years 2027 through 2030.
- (f) All appropriations authorized under this Act shall be considered new budget authority for the purposes of the Congressional Budget Act of 1974, and the Congressional Budget Office (CBO) shall prepare and submit to Congress a formal cost estimate for the total budgetary impact of this Act not later than 30 days after the date of enactment.

Endnotes

1. Swedish parental leave and child care requirements are based on the Swedish Social Insurance Agency (Försäkringskassan) and Skolverket frameworks. <https://www.forsakringskassan.se>
2. Danish child care guarantee from birth and fee cap requirements. <https://www.uvm.dk>
3. Norwegian Kindergarten Act and maximum fee structure. <https://www.udir.no>
4. Finnish Early Childhood Education and Care Act universal entitlement. <https://www.oph.fi>
5. French CNAF income-based sliding scale subsidy and crèche system. <https://www.caf.fr>
6. German Kinderförderungsgesetz (KiföG) legal right to childcare from age 1, and Gute-KiTa-Gesetz quality investment. <https://www.bmfsfj.de>
7. Nederland childcare subsidy reform and GGD quality oversight. <https://www.belastingdienst.nl>
8. UK Department for Education free hours entitlement and Childcare Act 2006. <https://www.gov.uk/government/organisations/department-for-education>

9. Canadian federal childcare agreement and provincial implementation.
<https://www.canada.ca/en/early-learning-child-care-agreement.html>
- 10 Australian Child Care Subsidy system. <https://www.servicesaustralia.gov.au/child-care-subsidy>
- 11 Japanese child care expansion under the Child and Childcare Support Act.
<https://www.mhlw.go.jp/english>
- 12 Chinese public child care and nursery expansion under the 14th Five-Year Plan.
<http://www.nhc.gov.cn/english>