

State Options to Expand Infant and Toddler Child Care Supply



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States have multiple options to build safe and nurturing child care choices for the approximately 5 million children under the age of 3 who have all available parents in the workforce.ⁱ

Introduction

Families need care for their children that provides trust, safety, and the assurance their child is nurtured in a supportive environment. This can take many different forms, whether home-based or center-based.

As states seek solutions to ensure that families have access to the child care that they prefer, there are multiple safe and sensible options to consider to both sustain and expand existing child care programs and entice the opening of new options, while prioritizing children's safety.

To help state decision-makers solve infant and toddler child care supply issues, ZERO TO THREE reviewed the early care and learning landscape across the country and collected examples of how states are working to increase supply in ways that best support the health and safety of our youngest children.ⁱⁱ

Understanding the Problem

To learn more about understanding your state's context or to find detailed examples of how states are implementing each of these strategies, please visit our **Baby Book Extra** on this topic [here](#).

State Strategies to Make Child Care More Accessible

These strategies provide a menu of options to help you find the best solutions to meet state and community needs. While implementing all ten would of course be desirable, states may find that implementing a targeted subset will have a big impact on the child care system in your state and communities. Most importantly, state leaders need to listen to the voices of the individuals working in the child care system as well as those navigating the child care system to understand barriers and work to change practices to allow for a smooth pathway to opening or expanding child care businesses.

The Dollar Signs:

Rarely is a new or modified strategy completely free to implement. We have marked each of the strategies in this paper using this key:

- \$:** Generally indicates a low to no-cost strategy
- \$\$:** Generally indicates minimal investment or targeting existing funds differently
- \$\$\$:** Requires additional sustained state investment to implement

1. Reduce Barriers to Opening and Maintaining Programs (\$)

Often unintentional barriers have been put in place that limit the development of new child care programs, this can be a result of local zoning laws, building codes, duplicative paperwork, lack of coordination between departments, application fees or many other reasons.

2. Evaluate Existing Child Care Subsidy Payment Rates and Policies (\$-\$\$)

Each state implements subsidized child care payments to child care providers in different ways. The dependability and structure of those practices are instrumental in maintaining program and industry stability. Ease of navigating enrollment and payment processes, attendance policies, rates and frequency of payments are a few of the many important factors to consider.

3. Introduce Tax Policies and Incentives (\$\$)

While not a complete strategy for compensating the workforce or stabilizing the child care industry, tax credits and incentives directed at early care providers can sometimes offer much needed fiscal relief for these professionals and programs that often run on a shoestring budget. Tax incentives can be offered to educators and/or programs, including for start-up or ongoing expenses, and tax policies can be used to fuel a state's early care and education system. Examples include state income tax credit for care workers, refundable tax credit for child care professionals or allowing facilities to be exempt from local property taxes.

4. Offer Incentives and Supports for the Child Care Workforce (\$\$)

The early childhood education workforce is paid so little that nearly half live in families that depend on public assistance.ⁱⁱⁱ Low salaries, lack of benefits and insufficient supports all contribute to low job satisfaction, high turnover and ultimately an unstable child care industry. Many states have explored higher compensation, bonuses, stipends, benefits and education and peer supports as important measures in stabilizing the workforce and the early learning systems that depend on them.

5. Cultivate Business Partnerships (\$\$)

Businesses depend on a stable child care system to ensure their own workforce stability. Engaging them in the conversation is a vital part of the solution and helps states to think in different ways about their child care system and how to make it a dependable support for working families. Examples range from including local Chambers of Commerce in problem solving conversations to sharing costs among states, families and businesses.

6. Utilize Community Partnerships and Strategies (\$\$)

Each community in a state is unique and engaging them in solving local problems is proving to be a successful strategy for many states. American Rescue Plan Act (ARPA) funding demonstrated the innovative ways that communities were able to quickly come together and support families in new and substantial ways. Communities have introduced local apprenticeship models, shared service programs, family child care networks, micro-center network models, grassroots associations that include support for new and current educators and more to increase both child care access and supply.

7. Offer Expansion and Facilities Grants and Opportunities to Existing Programs (\$\$)

Often the biggest barrier to program expansion is simply funding. Existing child care business owners may be willing to enroll more families with infants and toddlers but are unable to do so due to limited space or a need to modify a previous preschool space to meet the needs of children under age 3. They may also have staff who need appropriate training to provide the best care for infants and toddlers. By offering a small one-time investment, states can give these programs a boost and grow infant and toddler child care supply statewide.

8. Enhance and Expand Access to Comprehensive Programs like Early Head Start (EHS) (\$\$-\$\$\$)

Comprehensive programs like EHS provide services that are individualized to the needs and resources of each child and family and leverage an array of community services. States across the country recognize the unlimited potential of this approach and have taken concrete steps to ensure access and expand programming through financial investments and state level program and staff supports.

9. Thoughtfully Implement Mixed-Delivery Preschool Programs (\$\$\$)

Expanding public pre-K for children ages 3 to 4 can have the unintended outcome of reducing access to infant-toddler child care. Implementing a well-supported mixed delivery pre-k program that includes both center and home-based options and allocating a portion of pre-k funding to secure the infant-toddler child care system are two strategies that can help to reduce negative impact to infant and toddler care.

10. Secure and Grow a State Early Learning Fund (\$\$\$)

Ultimately, the most effective strategy a state can implement includes substantial and long-term investment in the care and education of their youngest residents. A few states have made this commitment via different funding sources such as distributions from a Land Grant Permanent Fund, payroll taxes, self-employment taxes and other sources.



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Regardless of which approach your state decides to pursue, we are here to help. To learn more about any of the strategies listed above, please visit the [ZERO TO THREE 2025 Baby Book Extra: Infant and Toddler Child Care Supply Building Strategies](#).

To get support from the ZERO TO THREE, please contact Katrina Coburn kcoburn@zerotothree.org.

ⁱOffice of Planning, Research, and Evaluation. (2023, May 30). NSECE household chartbook: Child care and early education participation [PDF]. Administration for Children and Families, U.S. Department of Health & Human Services. https://acf.gov/sites/default/files/documents/opre/NSECE%20HH%20Chartbook%20CCEE%20Participation__toOPRE_05302023_508_compliant.pdf

ⁱⁱZERO TO THREE. (2025, February 19). Child care: Ratios and group sizes matter [Fact sheet]. ZERO TO THREE. <https://www.zerotothree.org/resource/child-care-ratios-and-group-sizes-matter/>

ⁱⁱⁱZERO TO THREE. (n.d.). The case for better compensation of early educators [Fact sheet]. ZERO TO THREE. Retrieved June 20, 2025, from <https://www.zerotothree.org/resource/distillation/the-case-for-better-compensation-of-early-educators/>