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**Contact:** Kirstin Alvanitakis, [kirstinalv@pa.gov](mailto:kirstinalv@pa.gov)

**Supporting Businesses and Working Parents to Solve the Childcare Shortage: Lt. Gov. Austin Davis and Second Lady Blayre Holmes Davis Call for New Investments in Childcare Workforce**

*Shapiro-Davis Budget Proposal Invests \$55M to Provide \$1,000 Recruitment and Retention Bonuses for Childcare Workers in Pennsylvania*

**CLAYSBURG, PA** – **Lt. Gov. Austin Davis** and **Second Lady Blayre Holmes Davis** joined local business leaders, parents and providers for a roundtable conversation today at Sheetz's corporate support center in Claysburg to highlight the [Shapiro-Davis Administration's 2025-26 proposed budget](#), which continues vital investments in childcare and early learning and includes a new proposal to address shortages in the childcare workforce.

"The childcare workforce shortage hurts working families, and it hurts our economy, likely in the range of billions of dollars in lost earnings, productivity and revenue," said **Lt. Gov. Davis**, who is co-chair of the **Early Learning Investment Commission (ELIC)**, a public-private partnership that brings together leaders to make recommendations and policy for early learning. "That's why our new proposed budget would fund \$1,000 bonuses to recruit and retain childcare workers across the Commonwealth. These workers are caring for our most valuable resource – our children. Many of them are mothers, who are also trying to make ends meet for their own families. They work hard, and they deserve it."

"The Lieutenant Governor and I know about this issue firsthand – our daughter, Harper, attends a wonderful childcare facility that we were incredibly fortunate to find," said **Second Lady Holmes Davis**. "We want working parents all across this Commonwealth to have the same access to affordable, high-quality care that we have, and we want every Pennsylvania child to have the same opportunities our daughter has – opportunities to learn, play and grow in a safe and loving environment."

First announced by Gov. Josh Shapiro in last week's budget address, the 2025-26 proposal builds on the Administration's first two budgets with a \$55 million investment in workforce recruitment and retention bonuses to increase childcare availability. This would equate to an additional \$1,000 annually per employee working in licensed childcare centers with **Child Care Works (CCW)** collaborative agreements.

Over the past two years, the Shapiro-Davis Administration has expanded the **Child and Dependent Care Enhancement Tax Credit**, delivering \$136 million in savings to nearly 220,000 families, and created the **Employer Child Care Contribution Tax Credit** to help businesses contribute to employees' childcare costs. These initiatives have been key in helping to make childcare more affordable for families all across the Commonwealth.

In Pennsylvania, 3,000 unfilled childcare positions are leaving an estimated 25,000 children without access to care – and their parents without access to opportunities. This is a significant workforce issue that ELIC and business groups have highlighted, including:

- In 2023, [ELIC partnered with ReadyNation and Start Strong PA on a report](#) that estimated an annual economic cost of more than \$6 billion in lost earnings, productivity and revenue because of inadequate childcare options in Pennsylvania.
- Last year, [ELIC and the Pennsylvania Chamber of Business and Industry released a report](#) that found 8 in 10 employers they surveyed have had moderate or significant recruitment and retention issues related to childcare.
- A 2024 [study by Boston Consulting Group and Moms First on the impact of childcare benefits](#) at five U.S. employers found a positive return on investment ranging from 90 percent to 425 percent. Because of childcare benefits, working parents were able to avoid up to 16 absences each year.

"We deeply appreciate the attention of Lt. Gov. Davis and Second Lady Holmes Davis to this very important issue," said **Stephanie Doliveira, Sheetz's executive vice president for people and culture**. "Helping employees access childcare is essential across the Commonwealth to ensure organizations have the workforce necessary to sustain and grow their businesses. At Sheetz, we have experienced the benefits of investment in quality childcare, including retention of employees, employee engagement, better work/life balance for families and an involvement in educating the workforce of tomorrow — all important qualities of being a great place to work."

Other investments in the Shapiro-Davis proposed budget aimed at improving the childcare workforce include:

- **\$15 million** additional funding for the Pre-K Counts program to help providers raise wages and stabilize the early educator workforce.
- **\$10 million** to increase Early Intervention (EI) provider rates, ensuring all Pennsylvania children have access to needed support and resources.

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