

GOVERNOR JOSH SHAPIRO

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Solving the Childcare Shortage: Governor Shapiro Highlights Proposal to Expand Pennsylvania's Childcare Workforce, Support Parents and Families

Governor Shapiro's budget proposal is a commonsense plan that builds on two years of progress by solving more problems — including the childcare workforce shortage.

Governor Shapiro's 2025-2026 budget proposal invests \$55 million in childcare workforce recruitment and retention grants, which would provide approximately \$1,000 more annually per employee working in licensed childcare centers in the Child Care Works Program, increasing childcare availability for Pennsylvania parents and families.



Harrisburg, PA – Today, Governor Josh Shapiro and Secretary of Human Services Dr. Val Arkoosh visited CrossPoint Early Learning Center in Dauphin County to highlight the Governor's <u>2025-26 proposed budget</u>, which builds on his efforts to make childcare more affordable by expanding and strengthening the childcare workforce. **Governor Shapiro** has worked to make childcare more affordable over his first two years — and this year's budget proposal works to make childcare more available for Pennsylvania families.

The 2025-26 budget proposal builds on **Governor Shapiro's** first two budgets with a \$55 million investment in workforce recruitment and retention grants to increase childcare availability and pay these dedicated workers more. These grants would provide an additional \$1,000 annually per employee working in licensed childcare centers in the **Child Care Works (CCW) Program**. Since taking office, **Governor Shapiro** has expanded the **Child and Dependent Care Enhancement Tax Credit**, delivering \$136 million in savings to over 218,000 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.

"My budget proposal places a special emphasis on workforce development — addressing growing workforce shortages across several critical sectors, including childcare," said **Governor Shapiro**. "Right now, we have 3,000 unfilled jobs in childcare centers across Pennsylvania and when families can't find safe, affordable childcare for their kids, it forces them out of our workforce and hurts our economy. That's why my budget includes \$55 million to give childcare workers in Pennsylvania at least \$1,000 in recruitment or retention bonuses to invest in our workforce and solve this problem."

Governor Shapiro is also addressing workforce shortages in other critical industries like education and healthcare — sectors that are vital to the state's economic growth. Under his leadership, Pennsylvania has expanded workforce development and increased funding for vo-tech programs, career and technical education (CTE), and apprenticeships by nearly \$65 million. Today, Pennsylvania invests 50 percent more in workforce development than when the Governor took office, equipping workers with the skills needed for high-demand jobs.

Since **Governor Shapiro** took office, more than 170,000 Pennsylvanians have entered the workforce, and unemployment remains near historic lows. But workforce development isn't just about today's jobs — it's about preparing for the future. That's why the 2025-26 proposed budget prioritizes training and recruitment efforts to strengthen industries like childcare, ensuring working families, businesses, and the economy continue to grow.

Investing in Pennsylvania's Families and Strengthening the Childcare Workforce

Pennsylvania's childcare system serves over 300,000 children annually across the Commonwealth. However, providers are struggling to hire and retain staff, leading to reduced capacity and long waitlists for families in need of care. Childcare centers report increasing difficulty in filling positions due to low wages, and many are forced to close classrooms or limit enrollment. Without a competitive wage, it remains difficult to attract and retain qualified early childcare educators.

"Thank you, Governor Shapiro, for recognizing that our workforce are professionals. The first three years — the first 1,000 days — of a child's life are crucial for brain development. The positive relationships with caregivers during this period are absolutely essential for healthy development," said **Suzanne Brubacher, Director of CrossPoint Early Learning Center**. "We are celebrating this investment in the early childcare workforce as it will enable us to recruit and retain high quality educators and caregivers. Early childhood education professionals are the workforce behind the workforce. Thank you, Governor, for ensuring those who impact our children's futures will also not be underestimated."

A lack of access to affordable, quality childcare can lead many parents to leave the workforce. According to the Pennsylvania Chamber, the state's economy loses nearly

<u>\$3.5 billion</u> annually due to a lack of childcare options. Over a third of Pennsylvania parents report that childcare problems have impacted their employment. "We early childhood educators love our jobs. We're dedicated to our children and families, and we want to remain in our chosen field. But we also need a competitive wage that allows us to properly provide for ourselves and our loved ones," said **Jennifer Shirk-Weiss, a teacher at CrossPoint Early Learning Center**. "This \$55 million budget allocation is a meaningful and deeply appreciated step in saying that 'I am seen, heard, and valued as an education professional."

Across Pennsylvania, 3,000 unfilled childcare positions are leaving 25,000 children without access to care. In this year's budget, **Governor Shapiro** is proposing these investments to recruit and retain childcare workers and increase childcare services for Pennsylvania families. Investing in the childcare workforce ensures that families can continue working while children receive the foundation they need to succeed in school and beyond.

"Early childhood education programs are vital to a child's educational, social, and emotional development during their youngest years, providing a foundation that will benefit them throughout their lives. However, these benefits of high-quality childcare are not possible without a dedicated workforce of childcare professionals," said **Secretary Dr. Arkoosh**. "I am proud that the Shapiro Administration, alongside the General Assembly, has shown its ongoing commitment to these providers, who give so much to our children every day. We can keep this momentum going with Governor Shapiro's 2025-26 budget proposal and continue supporting childcare workers and this important sector of Pennsylvania's economy."

CrossPoint Early Learning Center is a licensed childcare facility that serves 85 children and offers an all-day kindergarten program with before- and after-care services. CrossPoint is a CCW provider and in 2022, the center was awarded Pennsylvania's Equity in Early Childhood Education Champion Award at the Gold Level.

"As a parent, it was important for me to find a place where my children would be accepted, protected, and educated everyday — especially my son who has autism. The inclusive and welcoming environment of this center filled with positive interactions drew me in and held my heart," said **Megan Gherrity, a parent whose children attend CrossPoint Early Learning Center**. "And it's all thanks to the incredible team here at CrossPoint, who deserve the support that Governor Shapiro is calling for in this year's budget. I knew a center that saw my son for all he had to offer and the great things he could do but also challenged him to 'do hard things' by teaching, modeling, and practicing them with him was what he needed. A place where my daughter would be celebrated for her often creative fashion sense and wonderful imagination was a place she would flourish."

Governor Shapiro's 2025-26 proposed budget investments in childcare workforce and other services include:

- **\$55 million** to support childcare workforce recruitment and retention grants to licensed childcare centers with Child Care Works (CCW) Program agreements.
- **\$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.

"I understand the challenges families face when it comes to childcare — quality, availability, and affordability all matter. Childcare is essential, and it reminded me of my own experience with my son attending summer camp here at CrossPoint, where the teachers and staff have been dedicated for decades," said **Senator Patty Kim**. "For many, this work is a calling, and we must ensure our daycare providers are paid what they're worth. I wish we could invest more than \$55 million — but please know that you are incredibly valued, and we will continue to support you and the important work you do."

"Childcare is essential for families who need to work to make a living. Not only do parents benefit from high-quality childcare, but children do as well," said **Representative Justin Fleming**. "I applaud Governor Shapiro for proposing \$55 million to enhance the salaries of childcare workers to grow the workforce and ensure a brighter future for children in the Commonwealth."

Governor Shapiro's 2025-26 proposed budget will build on the foundation the **Shapiro Administration** has constructed over the past two years and move Pennsylvania forward as the Governor continues working across the aisle to get stuff done and ensure people across the Commonwealth have the freedom to chart their own course and the opportunity to succeed.

Watch the Governor's full budget address to a joint session of the House and Senate <u>here</u>. See <u>here</u> for the Governor's full remarks as prepared for delivery.

Read more about Governor Shapiro's 2025-26 budget proposal.

Read the Governor's 2025-26 Budget in Brief <u>here</u>. Learn more about **Governor Shapiro's** budget here at <u>shapirobudget.pa.gov</u>. # # #