



GOVERNOR JOSH SHAPIRO

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Solving the Child Care Shortage: Governor Shapiro and Lt. Governor Davis Lead Roundtable on 2025-26 Budget Proposal to Expand Child Care Workforce with Community Leaders, Parents, and Families in Allegheny County

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

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





Pittsburgh, PA – Today, **Governor Josh Shapiro** and **Lt. Governor Austin Davis** hosted a roundtable at the YMCA Child Development Center at Duquesne University to highlight the Governor’s [2025-26 proposed budget](#), which builds on his efforts to make child care more accessible and affordable. Over the past two years, **Governor Shapiro** has taken steps to lower child care costs, and this year’s budget proposal focuses on expanding the child care workforce to ensure more Pennsylvania families can access the care they need.

Governor Shapiro, **Lt. Governor Davis**, **Second Lady Blayre Holmes Davis**, and key stakeholders, including **President of the YMCA of Greater Pittsburgh Amy Kienle**, **CEO of Partner4Work Robert Cherry**, child care workers and teachers, and parents participated in the roundtable. Leadership from the Greater Pittsburgh YMCA, Duquesne University, Early Learning Investment Commission (ELIC), and the General Assembly also attended. The discussion focused on the Governor’s proposed budget investments to address workforce challenges, reduce costs, and increase access to quality child care for Pennsylvania families.

“My budget prioritizes workforce development to tackle shortages in critical sectors like child care,” said **Governor Shapiro**. “With 3,000 unfilled child care jobs across Pennsylvania, too many families are struggling to find safe, affordable care — forcing parents out of the workforce and making it harder to get ahead. That’s why I’m proposing a \$55 million investment to provide child care workers with at least \$1,000 in recruitment and retention bonuses, strengthening our workforce and helping to solve this problem.”

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 child care availability and pay these dedicated workers more. These grants would provide an additional \$1,000 annually per employee working in licensed child care 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' child care costs. These initiatives have been key in helping to make child care more affordable for families all across the Commonwealth.

"The child care workforce shortage isn't just a challenge for families — it's a major economic issue, costing billions in lost earnings, productivity, and revenue," said **Lt. Governor Davis**. "Our proposed budget invests in solutions, including \$1,000 bonuses to recruit and retain child care workers across the Commonwealth. These dedicated professionals care for our most valuable resource — our children. Many are working mothers themselves, striving to support their own families. They work hard, and they deserve this investment."

"The Lieutenant Governor and I have seen firsthand how important quality child care is — our daughter, Harper, is lucky to attend a wonderful facility that gives her a safe, supportive place to learn and grow," said **Second Lady Holmes Davis**. "Every parent in Pennsylvania should have that same peace of mind, and every child should have the opportunity to thrive in a nurturing environment. That's why investing in our child care workforce is so critical."

Governor Shapiro is also addressing workforce shortages in other critical industries like education and health care — 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 child care, ensuring working families, businesses, and the economy continue to grow.

Investing in Pennsylvania's Families and Strengthening the Child Care Workforce

Pennsylvania's child care 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. Child care 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 child care educators.

"The YMCA is the largest provider of child care in Allegheny County, in Pennsylvania, and across the country. We have a real stake in the child care discussion, and the Governor's budget proposal includes exciting, historic provisions — raising the minimum

wage, investing in recruitment and retention of child care workers, and increasing funding for Pre-K Counts," said **Kienle**.

"We're having a lot of conversations with employers right now because we understand that supporting child care requires a three-legged stool: the consumer, the employer, and, to some degree, government and other entities helping to fund these efforts. The investments included in the Governor's budget proposal are essential to strengthening and growing our child care sector," said **Cherry**.

A lack of access to affordable, quality child care can lead many parents to leave the workforce. According to the Pennsylvania Chamber, the state's economy [loses nearly \\$3.5 billion](#) annually due to a lack of child care options. Over a third of Pennsylvania parents report that child care problems have impacted their employment.

Across Pennsylvania, 3,000 unfilled child care 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 child care workers and increase child care services for Pennsylvania families. Investing in the child care workforce ensures that families can continue working while children receive the foundation they need to succeed in school and beyond.

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

- **\$55 million** to support child care workforce recruitment and retention grants to licensed child care providers 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.

Governor Shapiro's 2025-26 proposed budget will build on the foundation the **Shapiro-Davis 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 **Governor Shapiro's** full budget address to a joint session of the House and Senate [here](#). See the Governor's full remarks as prepared for delivery [here](#).

Read more about [Governor Shapiro's 2025-26 budget proposal](#). Explore the Governor's 2025-26 Budget in Brief [here](#), or visit shapirobudget.pa.gov to learn more.

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