



GOVERNOR JOSH SHAPIRO

FOR IMMEDIATE RELEASE

Monday, December 1, 2025

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In Allegheny County, Governor Shapiro, Lt. Governor Davis, Child Care Workers, and Legislators Highlight New Child Care Recruitment & Retention Bonuses Secured in the 2025-26 Budget

The [2025-26 budget](#) signed by Governor Shapiro creates a new \$25 million Child Care Staff Recruitment and Retention Program to support 55,000 child care workers statewide.

By providing \$450 bonuses to staff at licensed Child Care Works providers, the Governor is strengthening the child care workforce and expanding access to care for Pennsylvania families.





Verona, PA – Today, **Governor Josh Shapiro** and **Lieutenant Governor Austin Davis** joined child care workers, legislators, and community leaders at **Riverview Children’s Center in Allegheny County** to highlight child care investments secured in the [2025-26 budget](#) the Governor signed last month. These investments will help Pennsylvania recruit and retain child care workers, expand access to quality care, and ensure more parents can stay in the workforce and provide for their families.

Pennsylvania’s child care industry currently has **3,000 unfilled jobs** — openings that, if filled, would allow providers to serve **25,000 additional children**. Providers continue to struggle with low wages that make it hard to hire and retain qualified staff, forcing them to close classrooms and turn families away.

To address workforce shortages and expand child care availability, the 2025-26 budget establishes a **\$25 million Child Care Staff Recruitment and Retention Program**, which will provide roughly **\$450 annually per employee** to licensed Child Care Works (CCW) providers. These bonuses will support approximately **55,000 child care workers** statewide and help stabilize the child care sector.

“When parents can’t find affordable, reliable care, they can’t work — and our entire economy feels it,” said **Governor Shapiro**. “We’ve taken real action to lower costs by tripling the Child and Dependent Care Enhancement Tax Credit for nearly 219,000 working families, but affordability isn’t enough — we also have to expand access. That’s why we’re making investments to help child care centers hire and retain talented educators. These bonuses will help strengthen the workforce, open more slots for children, and make sure families across Pennsylvania can find the care they need.”

The budget also invests an additional **\$7.5 million for Pre-K Counts** to help providers raise wages and stabilize the early educator workforce, along with a **\$10 million increase for Early Intervention** services to support families with children experiencing developmental delays.

“Serving as co-chair of the Governor’s Early Learning Investment Commission — I hear firsthand how essential quality child care is to Pennsylvania’s families and our economy,” said **Lt. Governor Davis**. “Over the past year, we heard directly from business leaders — who made clear that child care is workforce infrastructure. Employers need it, parents depend on it, and our economy grows when families have reliable, affordable care. We also heard from child care workers who spoke about what these investments mean for them. One worker told us that these investments show their work has value — and she’s right. These educators care for our most precious resource: our children. That’s why Governor Shapiro and I fought to include child care investments in the final budget.”

In addition to child care investments, the Governor’s new **Working Pennsylvanians Tax Credit (WPTC)** — created in the 2025–26 budget — [will deliver](#) \$193 million in tax relief to 940,000 working Pennsylvanians beginning next tax season. Modeled after the federal Earned Income Tax Credit, the new state-level credit equals 10 percent of the federal benefit. Anyone who qualifies for the federal EITC will now automatically receive both credits, reducing taxes owed and putting more money back into the pockets of hardworking Pennsylvanians.

Building on the Shapiro Administration’s Record of Child Care Affordability

These new investments build on Governor Shapiro’s progress since taking office to make child care more affordable, accessible, and available, including when his first two budgets:

- **Expanded the [Child and Dependent Care Enhancement Tax Credit](#):** In December 2023, Governor Shapiro signed into law a major expansion of the credit, increasing Pennsylvania’s match from 30 percent to 100 percent of the federal credit. The maximum benefit rose from \$630 to \$2,100 per family — and last year, this expansion delivered **\$136.5 million to 218,953 working families**.
- **Created the [Employer Child Care Contribution Tax Credit](#):** In the FY2024-25 budget, the Governor secured a new credit encouraging employers to contribute to workers’ child care expenses. Employers can claim a tax credit for up to 30

percent of eligible contributions, capped at \$500 per employee — helping businesses support working parents and strengthening the workforce.

- **Secured nearly \$117 million across his first two budgets for Child Care Works**, helping up to 80,000 low-income families access subsidized care each year.
- **Increased investments in early childhood education**, including \$15 million more for Pre-K Counts and a \$2.7 million boost for Head Start.

Today's event was held at Riverview Children's Center (RCC), a Pennsylvania Department of Human Services-licensed, four-star Keystone STARS early learning center that has served families since 1979. As one of the region's first National Association for the Education of Young Children (NAEYC)-accredited programs, RCC now serves about 154 children from infancy through school age and employs 32 educators. With blended funding from Pre-K Counts, CCW, and private pay, RCC operates five pre-K classrooms, provides before- and after-school programming for the Riverview School District, and runs a 10-week summer camp. About 15 percent of RCC's annual revenue comes from CCW, making state investments essential to sustaining high-quality early learning and child care for local families.

"We are honored to welcome Governor Shapiro to RCC as we highlight the critical importance of Pennsylvania's early child care workforce," said **Stephanie Heakins, Director of RCC**. "As a working mother, I know firsthand how essential high-quality early education and dedicated educators are — not only for our children's development, but for the stability and success of families across the Commonwealth. At RCC, we are deeply committed to providing high-equity care so every child, no matter their background, begins with the strong foundation they deserve. Our educators embody that mission every day, and this center shows what's possible when we invest in the people who make early learning work. Governor Shapiro, thank you for your leadership and for recognizing the profound impact early educators have on our communities."

"Ninety percent of brain development happens in a child's first five years — and every dollar invested in high-quality early child care and education yields a \$14 return on investment," said **Leah Lisowski, a teacher at RCC**. "The potential of this new era for early childhood education is incredibly exciting, especially for the hardworking, talented, and deeply committed educators who have dedicated their careers to our youngest learners. People often say we're the workforce behind the workforce — and it's true. I'm hopeful that this new budget investment marks a real step toward addressing the chronically low wages that have held this field back. Every child in Pennsylvania deserves access to high-quality early learning, and every educator deserves fair compensation for the vital work they do every day."

With the [2025-26 budget](#) signed into law, the **Shapiro Administration** will implement the Child Care Staff Recruitment and Retention Program and deliver bonuses to eligible workers later this fiscal year.

“Governor Shapiro’s leadership has been exceptionally strong — not just on child care recruitment and retention bonuses, but across the entire education conversation,” said **Senate Minority Leader Jay Costa**. “The Governor fought to protect adequacy funding, strengthen special education, and build on our work to make life more affordable for families across the Commonwealth. We’ve delivered meaningful child care and dependent care support not just once, but two years in a row — and this year, we’re building on that progress with a new state-level Earned Income Tax Credit that will help nearly a million Pennsylvanians save more than \$193 million. At a time when so many families are confronting real affordability challenges, these investments matter.”

"This \$25 million investment is a first step in recognizing that child care workers are the keystone of Pennsylvania's workforce," said **Senator Lindsey Williams**. “They allow our working families to get to work themselves, knowing that their children are safe, happy, cared for, and learning throughout the day. I'm proud to have partnered with the Shapiro Administration to get the Child Care Staff Recruitment and Retention Program into the FY2025-26 budget, and I look forward to working to expand it in the future.”

“Child care can feel like a second mortgage for many families,” said **Representative Joe McAndrew**. “That’s why it’s so important to continue bringing resources and investment into the child care space year after year — to ease the burden on working families, ensure quality staff are in these critical roles, and deliver meaningful support where it’s needed most. Year after year, I get to come back to this community and share what we are delivering — and we’re able to do that thanks to the leadership of Governor Shapiro.”

Governor Shapiro’s 2025-26 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.

Read more about Governor Shapiro’s [2025-26 budget](#), view the Governor's final budget remarks as prepared [here](#), or watch the Governor’s delivered remarks [here](#).

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