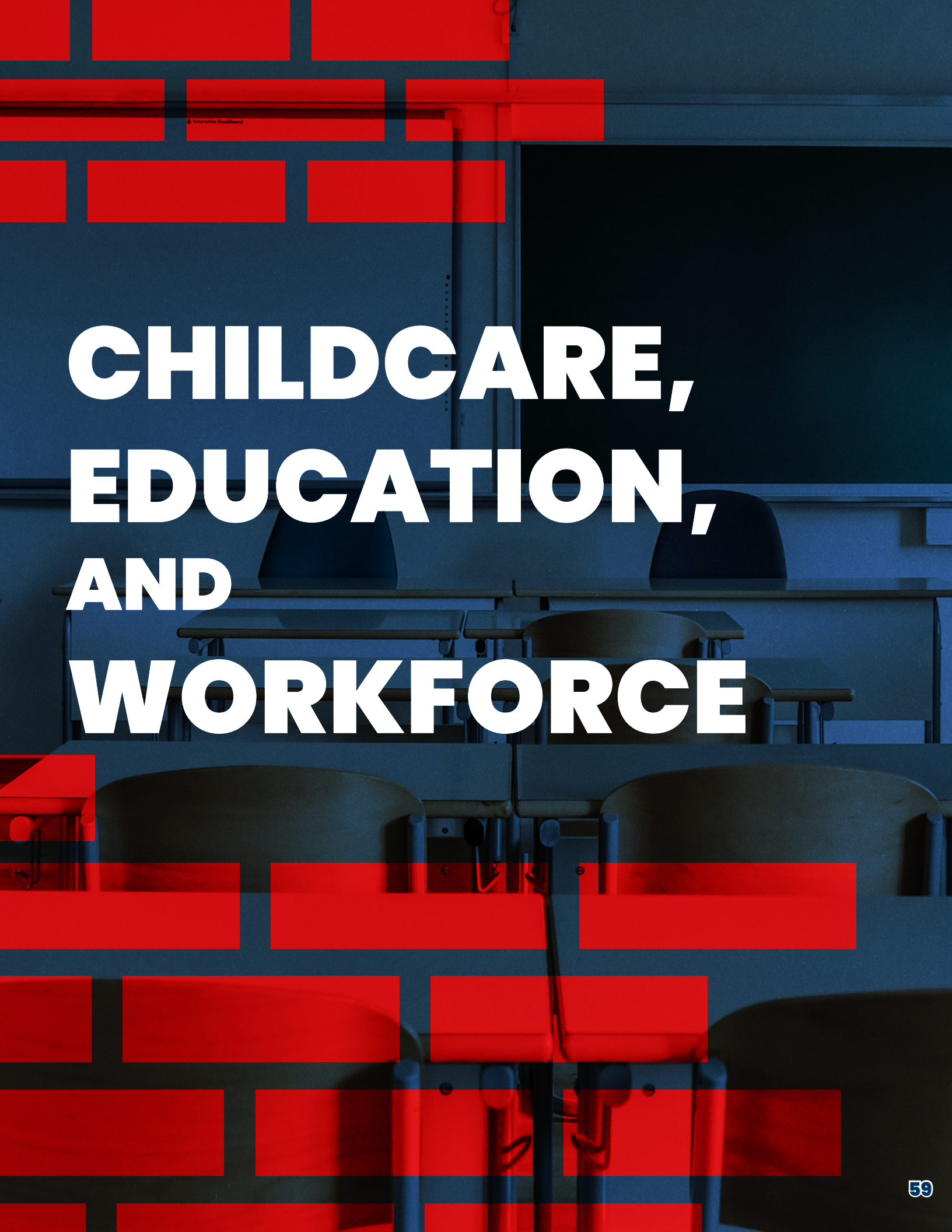




CHILDCARE, EDUCATION, AND WORKFORCE

MORE OPPORTUNITY AT EVERY AGE

MORE CHILDCARE

BETTER CLASSROOMS

MODERN TRAINING

Government should help people thrive at every stage of life. But too often, common-sense fixes that would make a difference today are crowded out by competing visions for sweeping reform. For families, childcare is scarce and expensive, while licensing barriers keep millions of additional childcare slots off the market. For students, proven tutoring methods remain out of reach, while federal funding still supports education initiatives that aren't proven to work. And for workers, a patchwork of occupational licensing rules makes it hard to switch fields or carry a career across state lines, while the best job training programs are too hard to access.

That's why **our plan is to focus on practical reforms that can make an immediate difference.** That means removing the barriers that drive up costs and keep childcare providers out of the market. It means making sure that federal education dollars aren't spent on programs that don't work. And it means helping workers train for good jobs and take their licenses with them when they move. In each of these areas, states will continue to lead the way, but there is more the federal government can do to help ease burdens for Americans at every stage of life.

1

MAKE CHILDCARE AFFORDABLE

- UNLOCK HOME-BASED CARE
- FUND INNOVATIONS THAT INCREASE CHILDCARE SUPPLY
- CUT THE RED TAPE THAT'S DRIVING UP CHILDCARE COSTS
- DELIVER FAMILY BENEFITS WHEN FAMILIES NEED THEM

2

IMPROVE EDUCATIONAL OUTCOMES

- GET STUDENTS BACK TO READING
- EXPAND ACCESS TO HIGH-IMPACT TUTORING
- HELP SCHOOLS ADOPT AI THAT WORKS

3

BUILD THE WORKFORCE

- LET LICENSES MOVE
- FUND JOB TRAINING THAT WORKS
- MAKE STARTING APPRENTICESHIPS EASIER
- LET QUALIFIED AMERICANS WORK

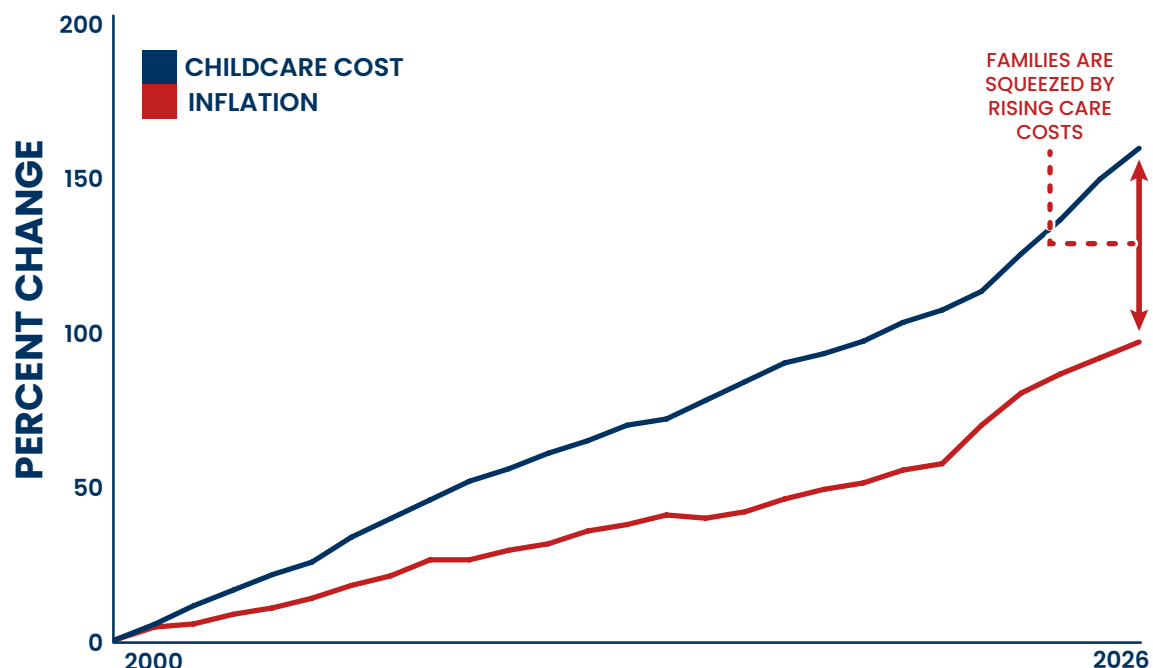
1

MAKE CHILDCARE AFFORDABLE

For millions of families, childcare is a necessity that they can't reliably find or afford. Families pay more than \$13,000 on average annually for care and, in 2025, 42% of women who stopped working cited caregiving responsibilities, including the high cost of childcare, as the biggest factor in their decision. Unattainable childcare strains working parents and especially working mothers, **costing the country \$172 billion each year in lost earnings, productivity, and tax revenue.**

Part of the problem is that there just aren't enough childcare slots available nationwide, whether families are looking for a local center, a neighbor running a home-based program, or another option that works for them. But while the federal government spends billions providing subsidies to families to try to make childcare more affordable, it puts too little effort into helping states and local communities address the barriers – like restrictive zoning for licensed home-based care and high start-up costs for new providers – that keep supply low and prices high. Addressing these barriers and ensuring that existing federal benefits, like the Child Tax Credit, reach families when they need them most, gives families flexibility to make choices about childcare and work that are right for them.

CHILDCARE COSTS ARE RISING FASTER THAN INFLATION



UNLOCK HOME-BASED CARE

Home-based childcare is often more flexible, affordable, and accessible than center-based care. But the number of licensed and regulated home-based care providers has decreased sharply over the last two decades, and the vast majority of paid childcare providers remain unlicensed. That limits the number of children providers can serve and public resources they can access, and it increases childcare costs for parents.

Exclusionary zoning rules can bar some home-based care providers from opening licensed programs in residential areas, and even when they don't, other local regulations can require multi-thousand-dollar upgrades – like sprinkler systems or parking requirements – that aren't appropriate in residential homes. Making matters worse, locally imposed rules sometimes conflict with additional state licensing requirements, making the path to licensure even more confusing and expensive for would-be home-based providers. **Incentivizing states to streamline these rules could help more home-based providers get licensed, and unlock an additional 2 million home-based childcare slots for families.**

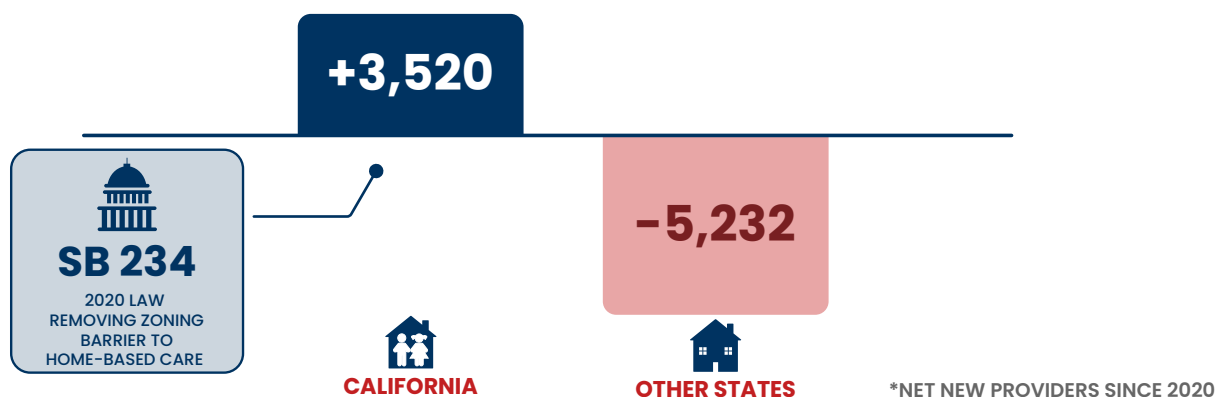
~50%

decrease in supply of licensed home-based childcare providers between 2005 and 2017

5M

unlicensed home-based care providers

BY-RIGHT ZONING HELPS INCREASE THE SUPPLY OF LICENSED HOME-BASED CARE



OUR SOLUTION

Incentivize states to remove local licensing barriers for home-based providers and let them use federal funds to offset these providers' start-up costs.

FUND INNOVATIONS THAT INCREASE CHILDCARE SUPPLY

Most licensed childcare is provided through childcare centers, but the costs of opening a new one can be significant. Facilities alone can require more than \$15,000 in investment for every new childcare slot created, while providers must also find scarce private financing and master running a small business. With profit margins typically under 1%, these upfront costs can be untenable without support. States are pioneering solutions to increase their local supply of childcare, from incubators offering business training and rent-free classroom space, to shared back-office operations that let multiple providers pool administrative costs. These locally tailored models help new centers get started and stay open longer, but the federal government has no vehicle to help states scale them.

OUR SOLUTION

Support innovative state-led models that expand childcare supply through targeted federal investment.

CUT THE RED TAPE THAT'S DRIVING UP CHILDCARE COSTS

The federal government sends states more than \$12 billion a year to make childcare more affordable for low-income and working families. But the impact of that investment is undercut when the states that receive it maintain outdated or inconsistent rules that make childcare more expensive without contributing to child safety or quality of care. Some states, for example, let kids use a playground at school but not during afterschool childcare, or require providers to carry change for the payphone in case of emergency. Together, these rules make it more expensive and burdensome to provide care. Revising them would help lower costs and remove unnecessary barriers for childcare providers.

33%

of a single-parent household's income is spent on childcare

OUR SOLUTION

Incentivize states to review and reform childcare rules that raise costs without improving safety or quality.

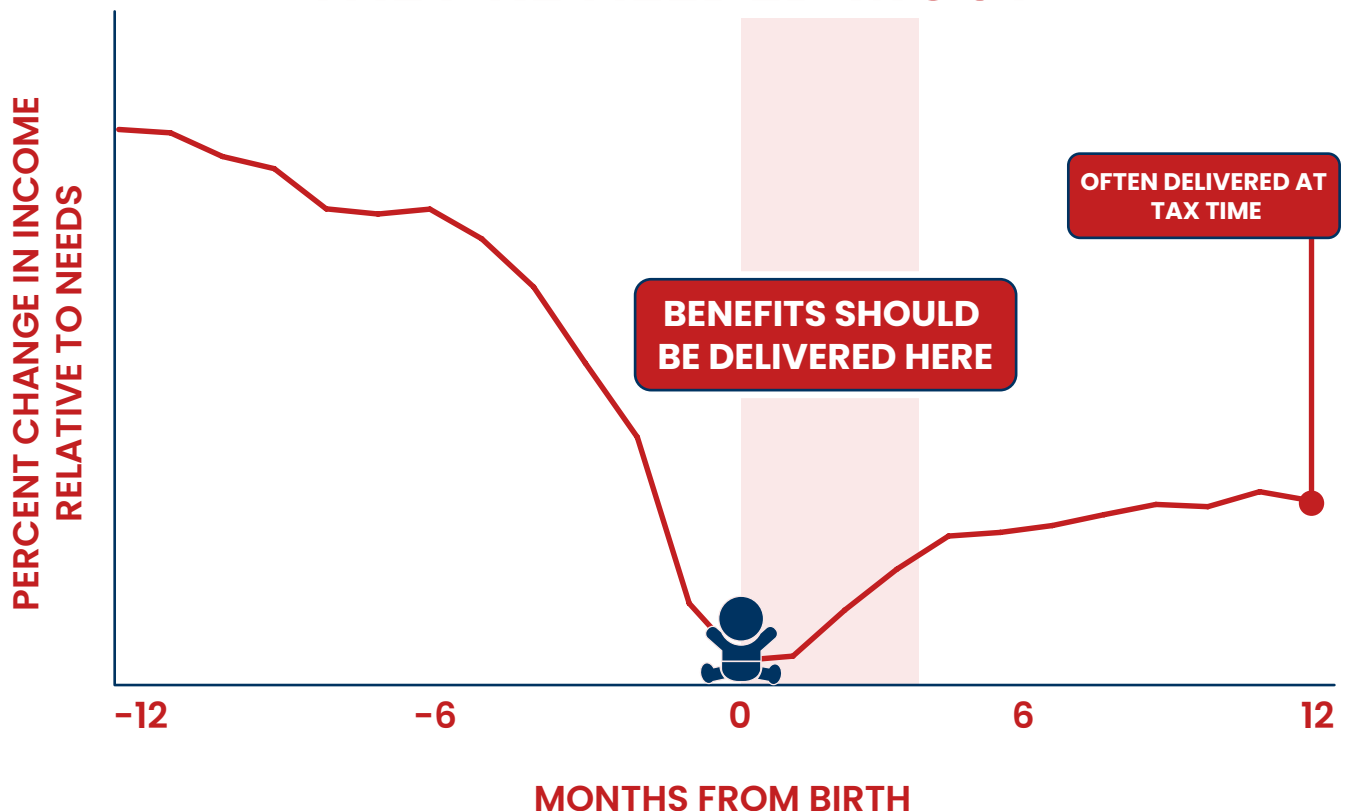
DELIVER FAMILY BENEFITS WHEN FAMILIES NEED THEM

Having a baby can impose a significant financial strain on families. After a birth, average household income drops by about 10% just as hospital bills and ongoing costs like diapers and baby formula begin to strain family finances. **But existing federal tax benefits, like the Child Tax Credit, that are meant to help families with the costs of raising a child aren't paid until the next tax season** – sometimes more than a year after a child's birth. Paying some of these benefits within months of a birth would give families relief exactly when they need it the most.

\$2,743

average out-of-pocket health costs associated with pregnancy, childbirth, and post-partum care

BENEFITS SHOULD ARRIVE WHEN THEY'RE NEEDED MOST



OUR SOLUTION

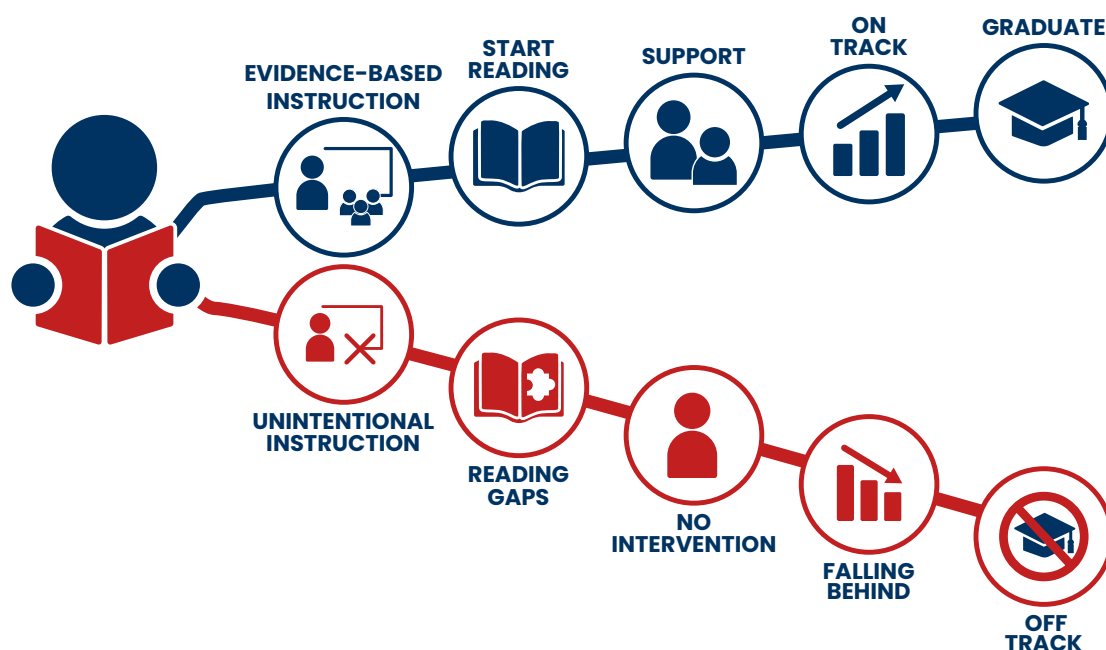
Deliver federal family benefits to new parents within their child's first three months.

2 IMPROVE EDUCATIONAL OUTCOMES

Too many children today are falling behind in school before they have the skills they need to succeed. **Reading and math scores have plummeted and are near their lowest point in 25 years**, and teaching is only getting more complicated as schools navigate the role of technology and social media in students' lives. But schools often lack the time, staff, and resources to give students the individualized support they need, or to evaluate and adopt the emerging tools that might help them.

Improving educational outcomes means doing a better job of meeting students where they are and giving educators more effective tools to help them progress. That includes supporting schools and educators who focus resources on approaches that are proven to work, expanding students' access to targeted academic support, and helping schools use new technology in ways that strengthen rather than replace effective teaching. The stakes extend well beyond the classroom. **Low literacy and poor educational outcomes limit future earnings, weaken workforce participation, and impose significant costs on the broader economy.** Stronger foundations for students today mean a stronger workforce – and a stronger economy – tomorrow.

EARLY INSTRUCTION SHAPES OUTCOMES

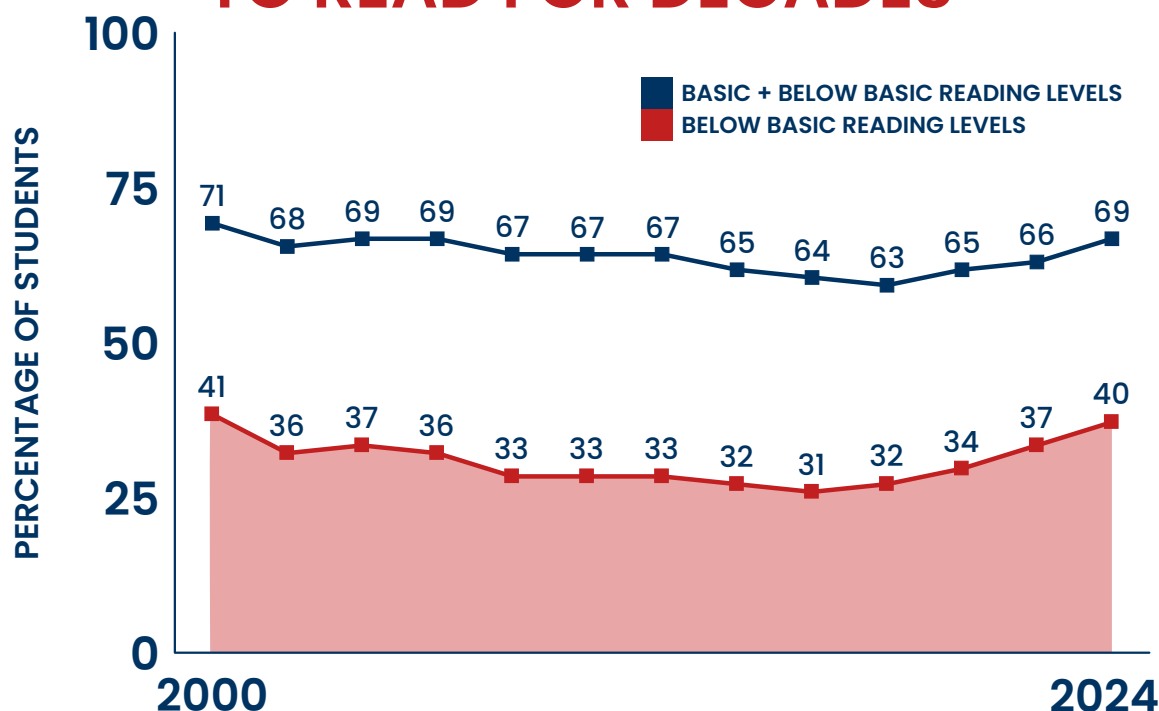


GET STUDENTS BACK TO READING

America is in a literacy crisis. About 40% of the nation's fourth graders still aren't reading at even a basic level, and **more than half of American adults lack literacy proficiency** – roughly equivalent to reading below a sixth-grade level. Part of the problem is that schools continue to teach students using reading instruction programs that aren't grounded in evidence, and federal funding can continue to support those approaches.

By contrast, **evidence-based methods grounded in the science of reading can produce roughly five additional months of reading progress**. Combined with other reforms, these approaches helped Mississippi climb from nearly last in the country to the top ten in fourth-grade reading. Today, we know more than ever about how to teach children to read – we just need to make sure that knowledge is being put to work in our schools.

FOURTH GRADERS HAVE STRUGGLED TO READ FOR DECADES



OUR SOLUTION

Make sure every child in America learns to read by focusing federal dollars on the approaches that are proven to work.

EXPAND ACCESS TO HIGH-IMPACT TUTORING

The traditional school day isn't enough for every student – many need more individualized support to catch up. High-impact tutoring delivers exactly that, **producing roughly four additional months of learning for the typical elementary-age student**. But only 11% of students received high-impact tutoring in 2023 and many schools have difficulty finding enough tutors. The Federal Work-Study program can help fill the gap, but it needs to become easier to access. Schools and tutoring providers that want to hire college students through the program have to establish separate agreements with each individual college in their area, creating unnecessary duplication and making it harder to recruit tutors across multiple campuses.

OUR SOLUTION

Make it easier for schools to use Federal Work-Study to hire more K-12 tutors.

HELP SCHOOLS ADOPT AI THAT WORKS

AI has the potential to significantly improve how students learn – one recent study found that students using an AI tutor doubled learning gains compared to those in an active-learning classroom. But while more than half of students and teachers reported using AI for school in 2025, only 35% of districts offered training on how to use it. That gap is a problem.

As adoption accelerates, many school districts lack the capacity and resources to independently test rapidly changing AI products or assess vendor claims. That can leave schools ill-equipped to distinguish between tools that actually improve learning and save teachers' time and those that weaken independent thinking, compromise student privacy, or waste money. No district should have to figure that out alone, and thousands of them shouldn't have to solve the same problem separately.

OUR SOLUTION

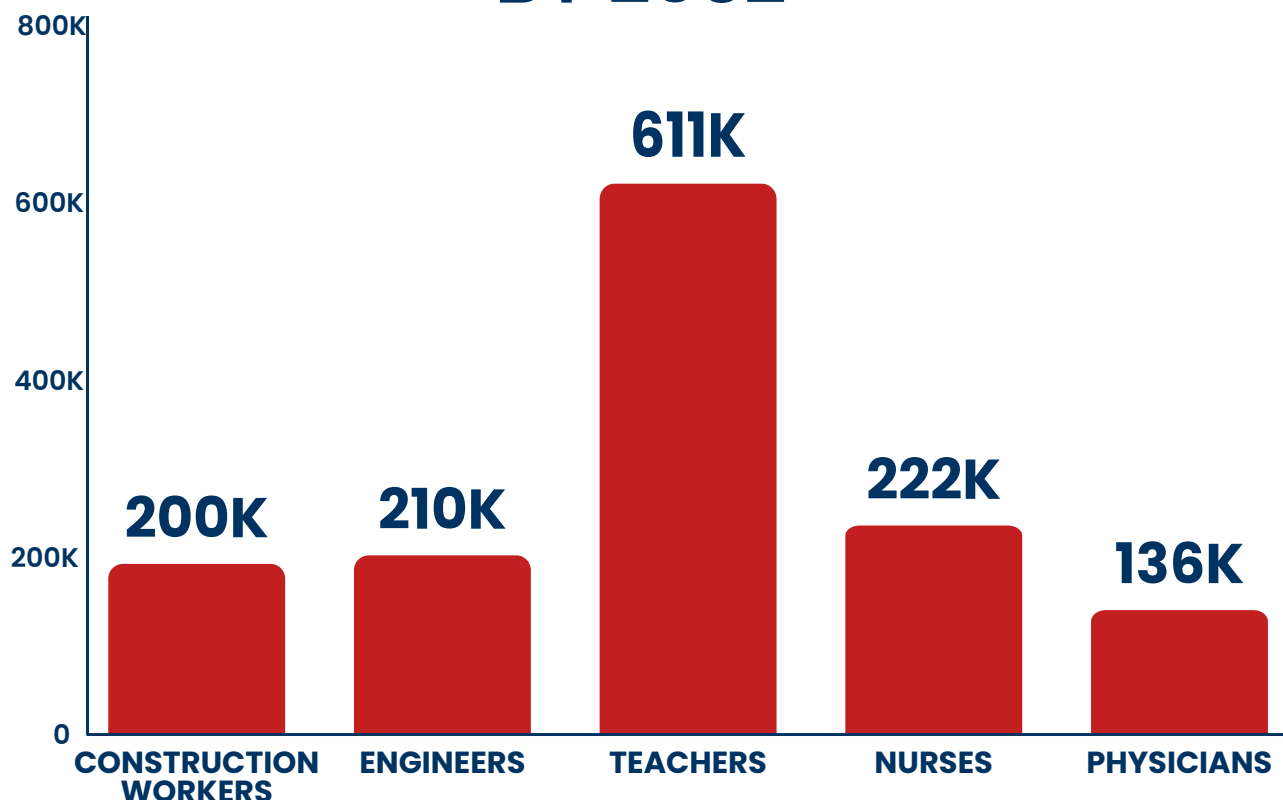
Direct existing federal education research programs to evaluate AI educational tools and help schools make informed choices about what works for their students.

3 BUILD THE WORKFORCE

Building America starts with building a skilled and mobile workforce. We need more homes, roads, and power lines to bring prices down, but there aren't enough skilled professionals – from electricians to linemen to welders – to build them. Other professions, like teaching and healthcare, face similar shortages. **Across the economy, nearly 70% of American employers report difficulty hiring workers.**

Addressing these shortages means clearing the rules that stand between willing Americans and the jobs waiting for them. That includes regulatory burdens that keep workers from accessing high-quality training programs and apprenticeships, and professional licensing requirements that can make it harder to get a job and prevent skilled workers from moving across state lines. Clearing these roadblocks will unlock the talent we need to build everything from homes and healthcare to energy and childcare and will give Americans more opportunities to find good-paying jobs.

PROJECTED WORKER SHORTAGE BY 2032



LET LICENSES MOVE

A qualified worker with a professional license shouldn't have to start over just because they want to work in another state. But states often impose different education, training, and examination requirements for licensing the same job, forcing workers who are moving to choose between wasting time and money to get a new license, or giving up their job opportunity altogether. This can keep workers from high-paying jobs and leave employers struggling to fill critical roles.

\$356M

estimated loss of
income due to license
non-portability

Interstate compacts – agreements between states to recognize each other's licenses for a particular profession – offer one solution that works. With support from the Department of Defense, states have already developed new compacts covering 11 professions, including teaching, that allow qualified workers to practice across participating states without starting over.

LICENSED WORKERS CAN'T FILL JOBS ACROSS STATE LINES

OTHER WORKERS



LICENSED WORKERS



36%

LICENSED WORKERS
MOVE STATES
36% LESS THAN
NON-LICENSED WORKERS

OUR SOLUTION

Help states develop interstate compacts for workers to carry their professional licenses across state lines.

FUND JOB TRAINING THAT WORKS

Too often, workers who complete federally funded job training are still unemployed months later. Part of the problem is that federal rules often prevent workers from enrolling in the strongest job training programs. Workers using federal funds can only participate in programs that are approved by a regional workforce development board. But many of the best programs that are capable of serving workers nationwide don't get approved because the costs and burdens of doing so are too high.

40%

of federally funded job trainees earn less than \$25,000 annually after completing their training

With over a hundred regions across the country, navigating the unique requirements of each rarely justifies the cost. As a result, strong national workforce providers stay out, workers have fewer high-quality options, and federal dollars flow to weaker programs.

OUR SOLUTION

Establish a pathway to support proven training programs without requiring regional approvals.

MAKE STARTING APPRENTICESHIPS EASIER

Apprenticeship programs return \$27 for every taxpayer dollar invested, but employers bear nearly all of the costs of creating them, including the time-consuming process of designing a curriculum. Apprenticeship agencies already have standards for a good curriculum, but instead of providing templates to meet those standards, they leave employers to develop their own from scratch. Not only does this waste employers' time, but it requires agencies to review each curriculum for quality, resulting in months-long wait times to register a program.

OUR SOLUTION

Recognize apprenticeship curriculum templates for accelerated approval.

LET QUALIFIED AMERICANS WORK

Today, **five times as many American workers need a license to do their job as did in the 1950s**. Many new licensing requirements are pushed by industry advocates who benefit from restricting competition, not consumers or regulators concerned about safety. But frequently, these requirements don't match the risks of the work. On average nationwide, **EMTs must train for 36 days to restart a heart while cosmetologists must train for 342 days to cut hair**. The cost to workers and consumers is significant: licensing requirements have been estimated to hold back up to 2.85 million jobs and raise prices by \$203 billion a year.

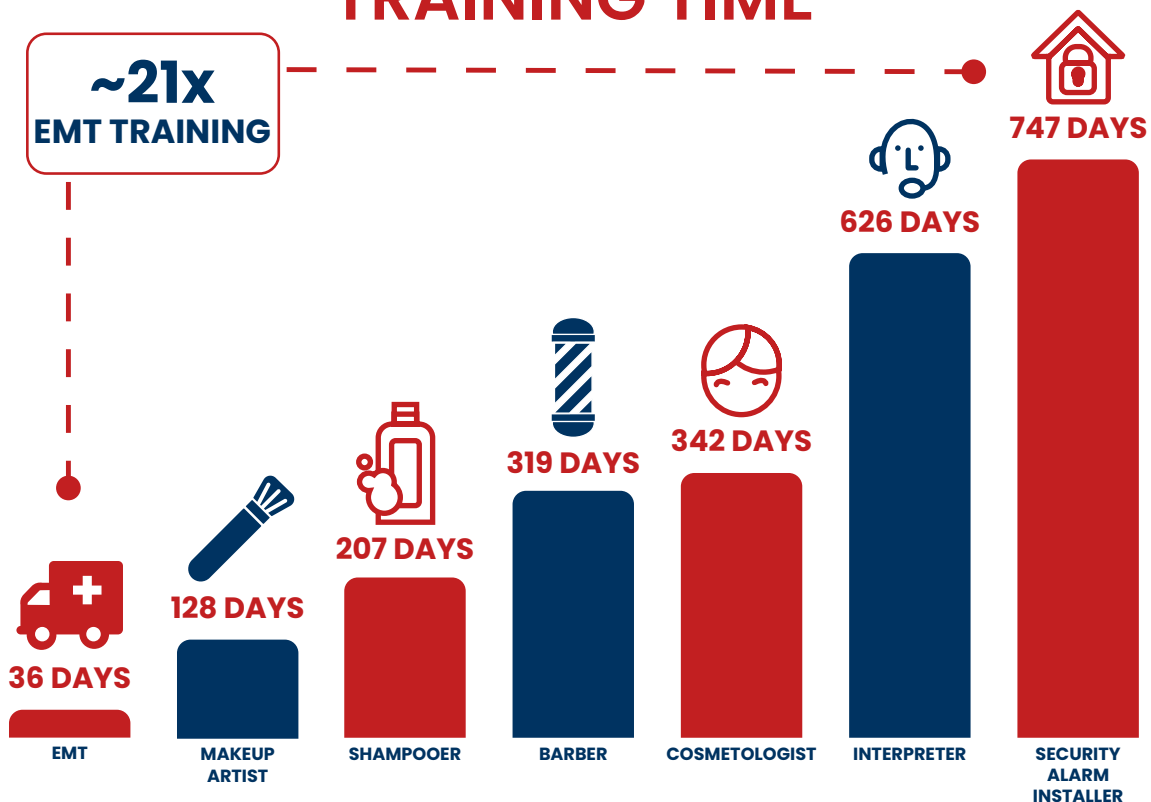
83%

of licensing reviews were initiated by industry groups

\$295

average fee for an occupational license

NATIONAL AVERAGE TRAINING TIME



OUR SOLUTION

Incentivize states to match licensing requirements to the actual risks of the work.