

STRATEGY



CHILD CARE SUBSIDIES

Child care subsidies are one of the six most effective strategies that a state can implement to make sure children get off to a healthy start and thrive, and that promote greater equity in child wellbeing.

Child care subsidy programs provide financial assistance to help make child care more affordable for low-income families with low incomes. States demonstrate leadership in child care subsidy policy by making policy choices to improve families' access to child care through increasing reimbursement rates, reducing cost burdens on families, and covering a substantial portion of the true cost of providing child care.

The most rigorous research studies show that receipt of child care subsidy and greater state subsidy spending per child:

IMPACT OF CHILD CARE SUBSIDIES	EVIDENCE OF IMPACT
Increases enrollment in formal child care settings	<ul style="list-style-type: none"> Higher state subsidy spending per low-income child (of \$1,000) led to 86% higher odds of enrollment in a single center-based care arrangement, rather than multiple care arrangements
Increases maternal employment	<ul style="list-style-type: none"> A 10% increase in Child Care and Development Fund subsidy expenditures led to a 0.7% increase in mothers' employment rate \$1,000 higher annual state subsidy spending per low-income child led to a 3.5 percentage point increase in the likelihood of maternal employment
Increases a family's economic security	<ul style="list-style-type: none"> Subsidy receipt led to an increase in monthly earnings by 250%

► Go to pn3policy.org/clearinghouse for the comprehensive evidence review on child care subsidies.

pn3policy.org

The prenatal period to age 3 is the most sensitive and rapid period of growth for the brain and body. State policy choices have a substantial impact on the wellbeing of infants, toddlers, and their parents, and on promoting equity among children. See the *Prenatal-to-3 State Policy Roadmap* at pn3policy.org/roadmap for more information on the most effective policies and strategies states can implement to help children thrive from the start.