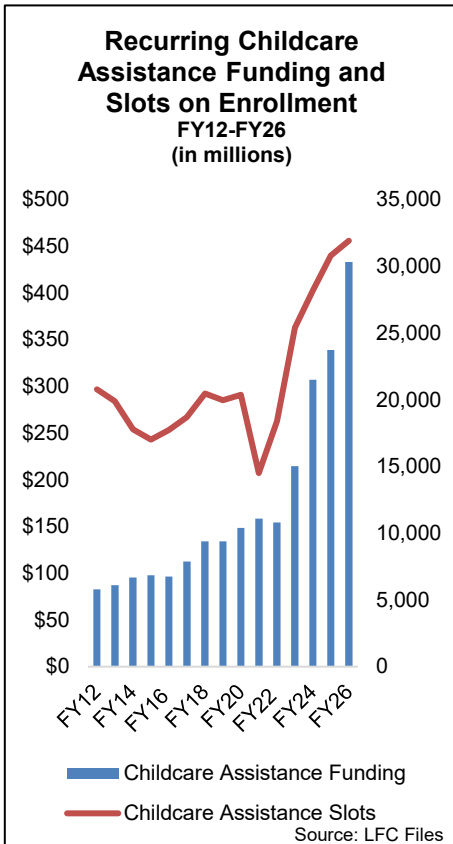


Childcare Assistance



Since 2019, New Mexico has significantly expanded eligibility for Childcare Assistance resulting in increased participation in the program. On November 1, 2025, the Early Childhood Education and Care Department (ECECD) expanded eligibility to provide universal childcare to all New Mexicans regardless of income using the department’s existing FY26 budget of \$450 million. Currently, the state has 74,011 licensed and registered capacity slots and serves 31,930 children with Childcare Assistance. ECECD has not yet provided a full cost estimate of universal Childcare Assistance, and LFC estimates that if universal assistance include 90 percent uptake of all available slots in the state currently paying privately, the cost of Childcare Assistance to taxpayers would almost double to \$849.7 million annually, an almost \$400 million increase, or an 88.8 percent increase over FY26 spending. As the state continues to expand eligibility and subsidize more care, policy decisions should continue to be informed by research and best practice. The new policy will increase demand for free childcare from people making more than four times the federal poverty level, or \$127,500 for a family of four, that are currently private payers using the existing system. Ultimately, there is no expansion in terms of slots—the state is simply subsidizing the existing private pay market.

This brief is a follow-up to the *2025 Early Childhood Accountability Report* and it summarizes previous LFC findings on New Mexico childcare, and provides recent data on enrollment and licensed capacity. This report ultimately finds 1) the cost of providing universal Childcare Assistance is almost double current spending, 2) capacity has increased slightly since 2023, but registered homes, which typically serve poorer families have decreased by 75 percent, 3) demand is growing much quicker than capacity, 4) the University of New Mexico’s Cradle to Career Policy Institute’s findings that the lowest income families continue to experience a decrease in the number and proportion of slots filled is continued, and 5) following expansions, children under the age of 2 face lower enrollment and decreased capacity.

A potential explanation of these emerging trends can be found in economic theories, which predict as demand grows when there is limited capacity, those with more resources find services more easily than those without. Given that the youngest and most socioeconomically disadvantaged families likely have the most to gain from programs like Childcare Assistance, ECECD and the Legislature should consider additional measures to address emerging challenges, including prioritizing slots for lower income families, at-risk families, and children under the age of 2.

Background

New Mexico’s Childcare Assistance Program provides care and supervision of children under the age of 14. The program, originally managed by the

Key Points

- Childcare underwent rapid growth due to expanded eligibility.
- Research found benefits to childcare participation on income and health but no overall measurable improvement on academic achievement.
- Recent data point towards downward trends of enrolled children under 2 and under 100 percent FPL.
- Additional efforts may be needed to ensure services to the most at-risk families.

Children, Youth and Families Department, is now under the purview of ECECD. In 2019, there were approximately 20 thousand children enrolled in childcare to approximately 98 thousand eligible children in the state, a ratio of 0.29 slots for every eligible child. Today, there are a little less than 32 thousand children enrolled in childcare compared to about 326 thousand eligible children, a ratio of 0.14 slots for every eligible child due to eligibility expansion. Research focused on Childcare Assistance in New Mexico found that participation corresponds with increased wages, more well-child visits, and better child oral health. There is also a correlation between increased participation and labor force participation rates. However, research to date has not demonstrated a causal or correlative link between New Mexico Childcare Assistance, quality levels, and improved educational outcomes (see Appendix A).

Number of Eligible Children versus Number of Slots Available

	Pre-Universal	Universal
Total Child Population	98,095	326,114
Slots Available	19,977	31,930
Ratio	0.2	0.1

Source: LFC files

LFC staff estimates with the new proposed provider rates, if expansion did not occur, the estimated cost is \$406.2 million per year (see Appendix B). Assuming 90 percent utilization of all available slots in the state and modeling the division of slots based on who is currently enrolled in Childcare Assistance, the estimated cost to the state will be around \$849.7 million annually (see Appendix B). ECECD has not provided a full cost estimate of universal Childcare Assistance up to this point. Moreover, if families were not on Childcare Assistance but already paying for childcare, they are likely to enroll in the program—meaning that the program is likely to supplant many private pay families with the state as the payer. Previous research demonstrates that the childcare population shifts throughout the year, and as low-income families leave care, the excess demand could cause further shifts to higher-income families over time. Additionally, many families already pay privately for care and if they shift to Childcare Assistance, it would cost taxpayers almost double the current cost.

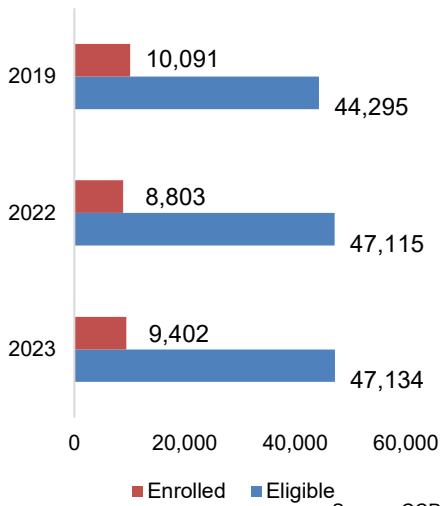
According to ECECD, approximately 5,000 families applied for Childcare Assistance in the first two weeks universal Childcare Assistance was offered, of which 55 percent of families were above the previous 400 percent FPL criteria or \$127,500 a year for a family of four. In September 2025, the state served 33,439 children through the Childcare Assistance program. The chart below delineates every childcare assistance expansion since 2019.

New Mexico Childcare Assistance Eligibility Changes

Effective Date	Entry Eligibility FPL (%)	Continuation/Exit Eligibility FPL (%)	Number of Children Enrolled	Maximum Amount a Family of Four Could Make	Copay Policy	Notes
Jan 1, 2019	150%	200%	18,801	\$51,500	Copays required	CYFD tightened below historic levels
May 7, 2019	200%	250%	19,558	\$64,375	Copays required	Court order required expansion
Oct 1, 2019	200%	250%	19,106	\$64,375	Copays required	Rule formalized levels
Sept 1, 2020	200%	250%	13,147	\$65,500	Copays waived ≤200% FPL	Pandemic relief waiver
Jul 1, 2021	350%	400%	9,084	\$105,996	Copays required	First major middle-income expansion
May 1, 2022	400%	425%	11,701	\$117,938	All copays waived	Emergency rule: free for most families
July 1, 2023	400%	425%	29,366	\$127,500	Copays required >200% FPL	Copay waiver expired; eligibility remained
Nov 1, 2025	No income limit	No income limit		No income limit	No copays	Universal childcare assistance

Source: LFC files

Eligible Versus Enrolled Children Under 100 Percent FPL



Source: CCPI

Ratio of Infant Slots to Children Under Two by County

County	Births Per Two Years from Census	Infant Slots	Ratio
Bernalillo	13090	5222	0.40
Catron	8	2	0.26
Chaves	1451	444	0.31
Cibola	554	103	0.19
Colfax	208	14	0.07
Curry	1474	501	0.34
De Baca	53	2	0.04
Dona Ana	4898	2341	0.48
Eddy	1636	191	0.12
Grant	483	195	0.40
Guadalupe	86	28	0.32
Harding	8	0	0.00
Hidalgo	94	24	0.25
Lea	2216	465	0.21
Lincoln	313	68	0.22
Los Alamos	348	223	0.64
Luna	703	128	0.18
McKinley	1654	337	0.20
Mora	38	16	0.42
Otero	1678	421	0.25
Quay	93	48	0.52
Rio Arriba	713	139	0.20
Roosevelt	463	167	0.36
San Juan	2878	689	0.24
San Miguel	2677	122	0.05
Sandoval	449	660	1.47
Santa Fe	2330	408	0.18
Sierra	146	39	0.27
Socorro	269	93	0.35
Toas	438	134	0.31
Torrance	285	67	0.23
Union	133	0	0.00
Valencia	1806	459	0.25

Source: LFC files

Research completed by the Cradle to Career Policy Institute (CCPI) at the University of New Mexico broadly found when New Mexico increased Childcare Assistance to broader income populations, more children in families with incomes at 100 percent FPL were eligible for Childcare Assistance, but fewer of those families were served. As shown in the CCPI report, examining 2023 data on capacity and children served found a 6.8 percent reduction since 2019 in the number of Childcare Assistance slots being used by families with incomes at or below 100 percent FPL. Moreover, the CCPI report found that between fall 2019 and spring 2023, the number of eligible children with incomes up to 100 percent of the FPL increased from 44,295 to 47,134—or by 6.4 percent—despite the decrease in slots taken by these families.

Research on Expansion of Income Support Programs

Supporting CCPI data research broadly shows, as income support programs are expanded through increased eligibility—individuals with fewer resources, including education, income, or social capital—have a more difficult time accessing programs because they have fewer resources. Lower-income, lower-resource families can be crowded out by families with more resources and time to secure services.ⁱ Another contributing factor might relate to provider type availability because the numbers of registered homes have decreased significantly. Families with incomes at or below 200 percent of the FPL are more likely to use registered homes. However, the number of registered homes decreased by 75 percent between 2019 and 2025, which may have partially contributed to the crowding out effect. Furthermore, as administrative burdens increase, applying for or maintaining benefits disproportionately deters those most in need, with bureaucracies often favoring clients that are “easier to serve.”ⁱⁱ This evidence broadly points to income support expansions disfavoring those most in need of the service provided by the program, and literature focused specifically on childcare assistance points to similar findings. Moreover, it is possible that existing customers who are already paying for childcare simply access childcare assistance and system-wide enrollment does not really increase. These components are worthy of additional study.

Capacity. With recent eligibility expansions, demand for subsidized care is increasing more quickly than supply and emerging trends indicate a need for additional attention to specific eligible groups, including those with incomes under 100 percent of the FPL and children under the age of 2. LFC analysis in the *2025 Early Childhood Accountability Report* found that while the precise number of needed childcare slots for all age groups is unknown, current demand likely remains unmet. When looking more granularly, capacity for children under the age of 2 continues to fall short of need, with only 32 childcare slots for every 100 children under the age of 2 in New Mexico. The ratio of infant slots at childcare providers to the estimated number of children under 2 years old in each county highlights the disparity in availability of infant care. Sandoval County, with 660 slots for 449 children, has the largest ratio at 1.47 (a ratio over 1 indicates a surplus of slots). The extra slots suggest childcare providers in the county may be accommodating families who cannot get access to childcare in Bernalillo County. Bernalillo County has a ratio of 0.4—40 slots for every 100 children under the age of 2—while Doña Ana and Santa Fe counties, the other two large population centers in New Mexico, have ratios of 0.48 and 0.18, respectively.

Extension of Previous Childcare Assistance Research

Previous CCPI research found that the number of licensed childcare slots the state has proportionally decreased between fall 2019 and spring 2023. Additionally, the decline in slots was primarily in registered homes, which predominantly serve families of color and lower-income families. LFC extended this research and found, between fall 2019 and spring 2025, the number of overall licensed childcare slots have increased slightly but the number of registered homes decreased by 9,482—or 75 percent. Moreover, CCPI research found the lowest income families were less likely to be served following expansions, and LFC staff found similar results with the number of low-income families served. Finally, extending research found in LFC’s *2025 Early Childhood Accountability Report*, the number of children under the age of 2 being served has decreased since ECECD began expanding childcare eligibility.

ECECD commissioned a series of reports from a research group known as the Low Income Investment Fund (LIIF) examining supply and demand aspects of childcare through administering surveys and examining administrative data. Similarly, LIIF reports cited similar gaps in capacity for children under 2, with long waiting lists and the issue is more pronounced in some communities than others. Barriers cited in surveys included staffing, transportation, and information gaps with the state’s Childcare Finder not being used as intended. Similarly, a parent survey reflected little to no use of that platform, pointing to a disconnect between available resources and family decision-making. Additionally, some providers do not want to expand or grow their capacity.

Crowding Out in Medicaid following Expansion

After the expansion of Medicaid in 2014, of those states that chose to expand eligibility, spending on low-income children was lower than in non-expansion states, with New Mexico showing a decrease in overall spending for low-income children. In 2010, the federal government passed the Affordable Care Act, which expanded eligibility of Medicaid for low-income nondisabled adults. According to research by the Mercatus Center at George Mason University, one of the unintended consequences of this expansion was a shift of financial resources away from children in expansion states, a shift that also occurred for older disabled individuals. Specifically, in non-expansion states between 2013 and 2019, 5.3 percent more children enrolled in Medicaid compared to a 3.4 percentage point drop in expansion states. Furthermore, per capita spending on children was significantly less in expansion versus non-expansion states, with spending on children growing 22.7 percent in non-expansion states between FY13 and FY19 while spending only grew 5.9 percent in expansion states. In New Mexico, spending for children actually decreased from FY13 to FY19 by 5.5 percent. Furthermore, for the aged population, similar trends were shown, with per capita Medicaid spending on the aged with growth averaging 19 percent in non-expansion and an average growth of 12.7 percent in expansion states.

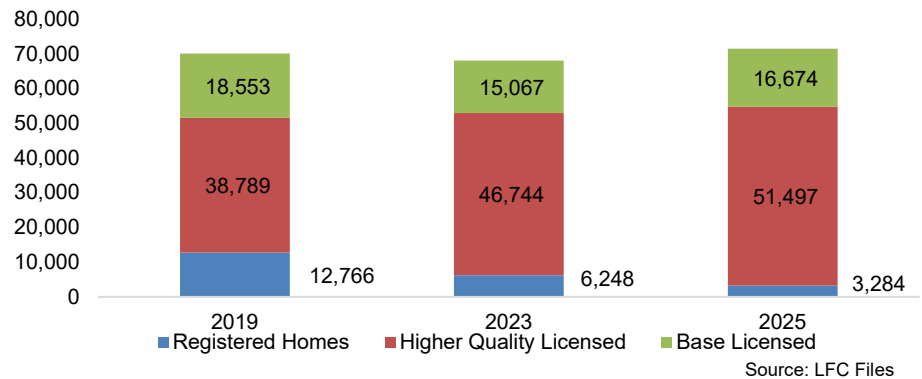
Source: Mercatus Center at George Mason University

Registered Homes. A registered home is a childcare center that operates out of an individual’s home and cares for a smaller number of children. These homes make up a small overall proportion of the provider system, but tend to serve higher-poverty families and rural areas. The LIIF studies found the decline in the number of providers was driven by a reduction in registered homes in the childcare system, stating, “Smaller facilities such as registered homes and licensed family and group homes make up a relatively small share of the total supply, but these providers often serve smaller and rural communities as well as demand from linguistic or cultural minority groups.” Registered homes are not

included in the ECECD tiered quality rating and improvement system (TQRIS) guidelines but follow required safety guidelines. In some cases, these children are cared for by a family member, and when this is true, they can have better outcomes than children in childcare centers. As the CCPI report points out,

“Home-based providers are more likely than centers to offer flexible, nontraditional care hours, and may offer families a closer match to their cultural and linguistic preferences ... [P]revious research with families from less prevalent racial and ethnic groups has found that lack of care offered during nontraditional hours and from providers who share language and culture are key.”

Change in Provider Type between 2019 and 2025 for Total Childcare System



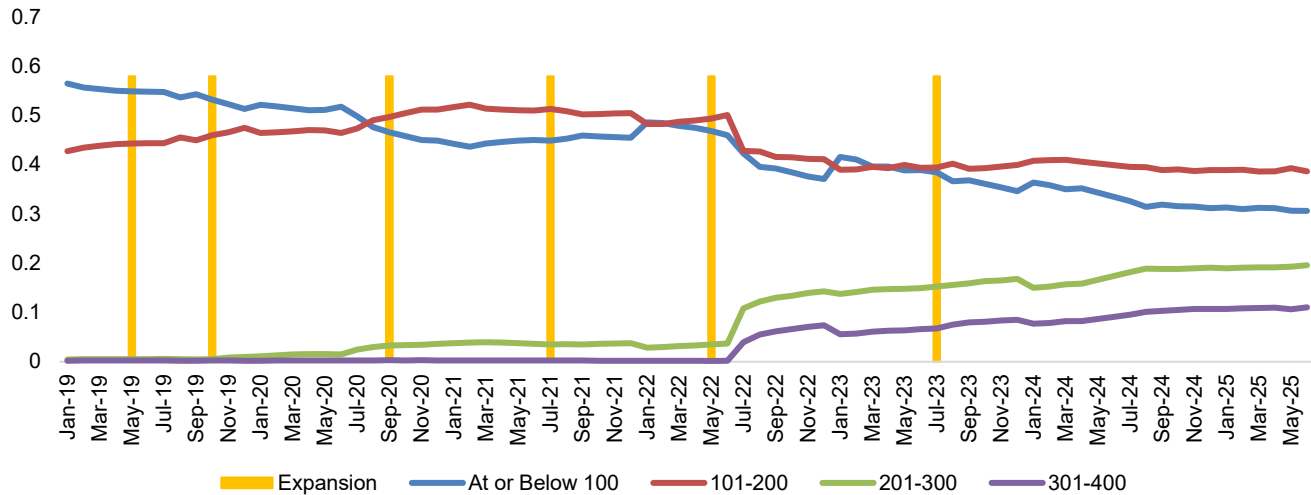
According to CCPI, between fall 2019 and spring 2023, childcare system capacity—meaning total childcare slots available to individuals on Childcare Assistance—declined by 3 percent, mostly through the loss in registered childcare homes, which saw a 51 percent reduction during the four-year period. LFC analysis of ECECD data indicates the number of registered homes further decreased to 3,284 in FY25—or a total of 75 percent across the six-year period. Of the children served by Childcare Assistance, 2.7 percent of children in June 2025 were served by registered homes. The vast majority of children in registered homes are in families with incomes at or below 200 percent of the FPL. ECECD had 113 new registered home applications this fall.

Lowest Income Families. Earlier this year, CCPI found that between 2019 and 2023, the number of children in families with income under 100 percent of the FPL that are being served declined by 6.8 percent. While it is possible the number of eligible children at the lowest end of the poverty scale declined, data from the Urban Institute cited by CCPI indicated the total number of eligible children increased between 2019 and 2023, making the decline in children served in that category even more concerning.

More recent data examined by LFC suggests the number of children in families with incomes under 100 percent of the FPL has declined. However, the number of children in that category served declined at a significantly higher rate during the same period. The proportion of New Mexico’s lowest income families have continuously dropped since expansion of Childcare Assistance began in 2019. In January 2019, a little less than 60 percent of families who received Childcare Assistance were in families with incomes at or below 100 FPL. As of June 2025,

that number approximately halved and is around 30 percent. According to U.S. Census Data, in 2019, approximately 10.1 percent of families with children below the age of 13 were in families at or below 100 of the FPL in New Mexico. In 2024, that number declined to 9.7 percent. While there was a 3.9 percent change in families in New Mexico who were living at or below 100 of the FPL, this does not align with the decline in families served by the Childcare Assistance Program. Academic research has found in other countries that offer universal childcare assistance, slots are often taken by families with higher socio-economic status, echoing LFC staff’s analysis.ⁱⁱⁱ

Changes in Enrollment for Childcare Assistance by Poverty Level (Proportion)



Source: LFC Files

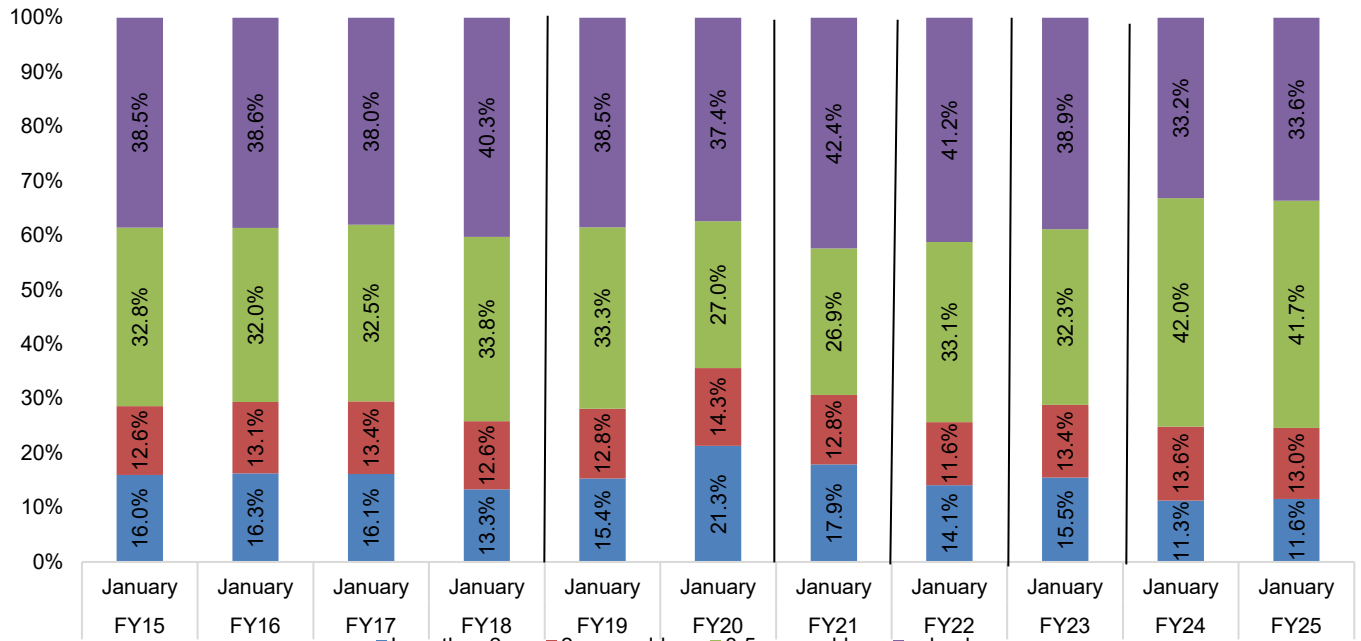
Age of Kids Served. As discussed above, slots for children under the age of 2 are not offered at a rate that is commensurate with births by county. Since FY23, the distribution of children who are served under the age of 2 fell by approximately 4 percent, while the share of children ages 3 to 5 being served increased by almost 10 percent—despite significant prekindergarten expansion for 3 and 4 year olds. This indicates, while the number of slots has empirically increased since expansion began, it is not necessarily the most in-demand slots that have increased.

Quality. New Mexico continues to make investments in childcare quality with the current tiered quality rating and improvement system, FOCUS, where the state pays higher rates for inputs associated with higher rated childcare centers and registered homes. Research indicates quality is a key component in children’s outcomes. Although New Mexico has yet to find links between childcare quality and educational outcomes, a number of articles point to the importance of quality in childcare and ECECD has brought back measurement of quality through the CLASS instrument—an evaluative tool that assesses quality of interaction in the classroom—demonstrating quality is one of the key components for childcare and a stated goal of ECECD.

A recent *Economist* article that examined universal childcare programs in Norway, Denmark, Finland, the United Kingdom, and Italy found rapid expansion can result in unfavorable outcomes and may potentially create adverse effects. A study examining universal childcare in Quebec found universal childcare led to a

rise in aggression, anxiety, and hyperactivity, as well as a fall in motor and social skills in children who participated in the program.^{iv} The same researchers followed up a decade later when the children were enrolled in high school and found that children who participated in universal childcare assistance were not any more likely to have improved test scores or cognitive skills.^v As the case of Finland points out, childcare can provide quality care, it just has to be implemented in an intentional and methodological way. This research indicates that rapid expansion may not lead to high-quality care and can even lead to adverse effects when implemented quickly and poorly.

Enrollment in Childcare Assistance By Age, FY15-FY25



Note: children who turned 5 by August of the fiscal year are included as school age for the entire fiscal year. Black line indicates when an expansion occurred.

Source: LFC Files

Moving Forward

ECECD’s Implementation Plan. In a memo sent to LFC staff by ECECD, the department recognized barriers to capacity but did not have a specific plan to address capacity issues. Importantly, ECECD is prioritizing 1,500 slots for infant and toddlers—including children with developmental delays and low-income families in underserved communities. ECECD could consider having set capacity and enrollment targets for both age and income to ensure the most in-need families are being served. For example, ECECD could set a “percent of all families with income under 100 percent of the FPL” target for children participating in Childcare Assistance that could be considered universal uptake. Additionally, ECECD could update their four-year finance plan.

Prioritization. Because fewer low-income families and children under the age of 2 are being served in both number and proportion, the state could consider policy measures to prioritize these families. Administrative rule requires ECECD to first prioritize Childcare Assistance for children with special needs and disabilities, families experiencing homelessness, and teen parents. From there, ECECD is statutorily required to prioritize (1) clients receiving Temporary

Assistance to Needy Families (TANF), (2) families living at or below 100 percent of the FPL, (3) clients transitioning off TANF, (4a) families living at or below 200 percent of the FPL, (4b) families living at or below 400 percent of the FPL, (4c) families above 400 percent FPL, and (5) children involved with the Children, Youth and Families Department. The above prioritization is issued if there are financial issues and not every child can be covered by Childcare Assistance. However, ECECD could consider instituting the tiered eligibility system. Arizona, Arkansas, Indiana, and Virginia have all instituted waiting lists for childcare assistance, which has helped to ensure that families are served based on prioritization and not on a first-come-first-serve basis.

Co-Pays. Co-pays have intermittently been required since the program’s inception. According to federal guidance, co-pays should be no more than 7 percent of a family’s income. Additionally, ECECD’s regulations state that no family living below 185 percent of the FPL should pay a co-pay. However, this regulation was waived between September 2020 and July 2021. On July 2023, families at or below 200 percent FPL were no longer required to provide co-pays. Additionally, with universal expansion in November 2025, ECECD also announced that all co-pays would be waived regardless of income level. Co-pays reduce the level of stress on government revenues. The Legislature could consider reinstating co-pays at a rate above the median income in New Mexico, at a sliding rate. This would allow for an estimated savings of \$11.4 million annually—potentially allowing for an expansion in the number of children served if that money was put back into the childcare system.

GRO Pilot: Worker Wages. ECECD believes teacher pay is essential and linked to quality. Notably, New Mexico childcare teacher wages rank lower nationally than ratings for New Mexico administrator wages. In U.S. Census data, administrator wages are ranked second in the country, while childcare workers’ wages are ranked 15th. This disparity was first noted in LFC’s *2019 Early Childhood Accountability Report*. At that time, New Mexico ranked 35th out of all states (and Washington D.C. and Puerto Rico) for childcare workers’ wages. Rankings improved significantly during this time period, as did wages. In FY24, ECECD received a \$15 million total government results and opportunity (GRO) fund appropriation to “pilot a wage and career ladder for infant and toddler early educators in classrooms with children whose families are enrolled in childcare assistance and to fund a study of the program.”

According to the 2019 LFC evaluation, *Childcare Assistance Effectiveness*, Vermont had the ninth highest childcare worker wages in the country. One potential reason for higher wages could be part of their quality rating system, which focuses on provider wages. Vermont has a five-level quality rating system based on points. To be a 5 five star provider, the programs needs to obtain a total of 12 to 14 points out of a possible 17 spread over six categories. Licensed programs can earn three points if the median adjusted pay for all employees is at least 85 percent of the state’s livable wage. ECECD could consider implementing a similar system and recently, in rule, implemented mandatory wage increases.

Average Salaries and Comparative National Rank of New Mexico’s Early Childhood Workforce

Childcare Worker	
Avg. salary	\$35,261.20
National Rank 2019	35
National rank 2024	15
Childcare Administrators	
Avg. salary	\$97,739.20
National rank 2024	2

Source: 2024 Occupational Employment and Wage Statistics Data

Appendix A: LFC Reports Finding Limited or No Impacts of Childcare Assistance on Education

Report	Year	Key Education Findings	Link
Impact of Childcare and Head Start on Student Achievement	2013	Despite significant investments, childcare assistance for Low-income children does not produce positive gains in school readiness and early literacy	Children Youth and Families Department - Impact of Childcare and Head Start on Student Achievement.pdf
Evidence-based Early Education Programs to Improve Education Outcomes	2014	Most childcare does not have a positive return on investment in regards to educational outcomes	Evidence-Based Early Education Programs to Improve Education Outcomes.pdf
Progress Report: Early Childhood Education	2015	AIM High (NM previous TQRIS) does not provide a positive ROI	EARLY CHILDHOOD PROGRESS FINAL
2015 Early Childhood Accountability report	2015	Highlights the need for FOCUS (NM current TQRIS) to lead to improved school readiness	Early Childhood 2015 Accountability Report.pdf
2016 Early Childhood Accountability report	2016	Low income kids in childcare or not have same reading proficiency rates (18%)	2016 Early Childhood Accountability Report.pdf
2017 Early Childhood Accountability report	2017	Low income children in childcare have lower proficiency rates overall than low income children overall and worse educational outcomes than pre-kindergarten	Final 2017 Accountability Report Early Childhood.pdf
2018 Early Childhood Accountability report	2018	Low income children in childcare continue to have lower proficiency rates overall than low income children overall and worse educational outcomes than pre-kindergarten	2018 Accountability Report Early Childhood FINAL.PDF
2019 Early Childhood Accountability report	2019	Low income children in childcare continue to have lower proficiency rates overall than low income children overall and worse educational outcomes than pre-kindergarten	2019 Early Childhood Accountability Report.pdf
Childcare Assistance Effectiveness Evaluation	2019	Childcare Participants are not More School-Ready Than Their Peers either in kindergarten or 3rd grade, regardless of star level	Childcare Assistance Effectiveness, December 10, 2019.pdf
2021 Early Childhood Accountability report	2021	60% of lower income childcare participants were proficient in literacy at BOY, overall proficiency rates were not reported by PED	Early Childhood Accountability Report, August 2021.pdf
2023 Early Childhood Accountability report	2023	in 2022 64% of low income childcare participants were reported kindergarten ready according to ECIDS	Early Childhood Accountability Report 2023.pdf
2025 Early Childhood Accountability report	2025	52% childcare participants were kindergarten ready and A match groups analysis of proficiency rates found students enrolled in prekindergarten were one standard deviation more likely to pass an Istation language arts exam than those students who only utilized childcare assistance	ALFC 081925 Item 2 2025 Early Childhood Accountability Report.pdf

Appendix B: Cost of Childcare Assistance by Age and Facility Type

Actual Number of Children Enrolled in FY36 in Childcare Assistance and Projected Cost by Age and Facility Type

Facility	Infant Enrolled	Infant Cost	Toddler Enrolled	Toddler Cost	Preschool Enrolled	Preschool Cost	School-Age Enrolled	School-Age Cost
2 Star	296	\$4,262,400	301	\$3,160,500	658	\$5,803,560	1892	\$12,535,584
2+ Star	338	\$5,272,800	283	\$3,311,100	556	\$5,604,480	1432	\$10,461,552
3 Star	553	\$8,626,800	441	\$5,159,700	958	\$9,656,640	1373	\$10,197,048
4 Star	367	\$7,266,600	294	\$4,410,000	703	\$8,866,236	1033	\$9,031,236
5 Star	2829	\$73,836,900	2389	\$48,735,600	5053	\$71,671,752	6771	\$68,648,256
Home								
2 Star	195	\$3,100,500	139	\$2,126,700	239	\$2,621,352	417	\$2,965,764
2+ Star	101	\$1,757,400	86	\$1,419,000	149	\$1,784,424	227	\$1,836,072
3 Star	24	\$417,600	27	\$445,500	45	\$538,920	71	\$569,688
4 Star	26	\$530,400	20	\$378,000	45	\$609,660	52	\$485,676
5 Star	90	\$2,052,000	81	\$1,749,600	141	\$2,062,548	231	\$2,271,528
Total Spent on Childcare Assistance:								\$406,241,076

Estimated Number of Children Enrolled based on Slot Capacity and Projected Cost by Age and Facility Type for Universal Childcare Assistance

Facility	Infant Enrolled	Infant Cost	Toddler Enrolled	Toddler Cost	Preschool Enrolled	Preschool Cost	School Age Enrolled	School Age Cost
2 Star	631	\$9,087,157	642	\$6,737,978	1403	\$12,372,809	4034	\$25,411,804
2+ Star	721	\$11,241,263	603	\$7,059,048	1185	\$11,948,383	3053	\$21,175,122
3 Star	1179	\$18,391,771	940	\$11,000,141	2042	\$20,587,322	2927	\$20,302,683
4 Star	782	\$15,491,914	627	\$9,401,830	1499	\$18,902,233	2202	\$18,049,953
5 Star	6031	\$157,415,419	5093	\$103,901,097	10773	\$152,799,466	14435	\$136,500,453
Home								
2 Star	416	\$6,610,062	296	\$4,533,985	510	\$5,588,550	889	\$5,942,187
2+ Star	215	\$3,746,661	183	\$3,025,215	318	\$3,804,275	484	\$3,658,655
3 Star	51	\$890,296	58	\$949,777	96	\$1,148,942	151	\$1,144,337
4 Star	55	\$1,130,778	43	\$805,871	96	\$1,299,755	111	\$949,853
5 Star	192	\$4,374,729	173	\$3,730,032	301	\$4,072,566	492	\$4,503,208
Total Spent on Childcare Assistance:								\$849,687,581

Source: ECECD Files

Appendix C: Selected Works

ⁱ Herd, Pamela, and Donald Moynihan. "Behavior and burdens: Introduction to the symposium on behavioral implications of administrative burden." *Journal of Behavioral Public Administration* 5, no. 1 (2022).

Korpi, Walter, and Joakim Palme. "The paradox of redistribution and strategies of equality: Welfare state institutions, inequality, and poverty in the Western countries." *American sociological review* (1998): 661-687.

Rigney, Daniel. *The Matthew effect: How advantage begets further advantage*. Columbia University Press, 2010.

ⁱⁱ Lipsky, Michael. *Street-level bureaucracy: Dilemmas of the individual in public service*. Russell sage foundation, 2010.

Lewis, Tracy R., and David EM Sappington. "Insurance, adverse selection, and cream-skimming." *Journal of Economic Theory* 65, no. 2 (1995): 327-358.

ⁱⁱⁱ Hermes, Henning, Philipp Lergetporer, Frauke Peter, and Simon Wiederhold. "Application barriers and the socioeconomic gap in childcare enrollment." *Journal of the European Economic Association* 23, no. 3 (2025): 1133-1172.

OECD (2019), *Providing Quality Early Childhood Education and Care: Results from the Starting Strong Survey 2018*, TALIS, OECD Publishing, Paris, <https://doi.org/10.1787/301005d1-en>.

^{iv} Baker, Michael, Jonathan Gruber, and Kevin Milligan. "The long-run impacts of a universal childcare program." *American Economic Journal: Economic Policy* 11, no. 3 (2019): 1-26.

^v Baker, Michael, Jonathan Gruber, and Kevin Milligan. "The long-run impacts of a universal childcare program." *American Economic Journal: Economic Policy* 11, no. 3 (2019): 1-26.