

## 2026 State Policy Priorities

### A Strong Start for Tennessee's Children

Nearly 60% of TN's third-graders are below proficient in reading and math. That's not just a statistic — it's a signal that too many children start school already behind; and too many never catch up. A strong early learning foundation is crucial for children to succeed in school and life and to power Tennessee's economy as adults.

Each year, TQEE's priorities are guided by our *Policy Blueprint* -- built on data, research, and input from communities across the state. The Blueprint encompasses, and our policy priorities reflect, three domains necessary to ensure children get the strong start they need: **Child Care & Early Learning, Health & Mental Health, and Supported Families.**

### Child Care and Early Learning

**Make Smart Steps Available for All Low-Income Working Families Who Choose It.** Use Tennessee's TANF reserves to remove the Smart Steps child care scholarship waitlist — helping low-income working parents afford care and keeping them in the workforce, while prioritizing support for child care professionals who are the workforce behind the workforce.

**Create a Dedicated Funding Stream for Child Care and Early Learning.** Establish the Promising Futures Early Childhood Fund to expand access to high quality early care and education options for children prior to kindergarten. The fund would grow the supply of high quality child care and preschool programs and address the early educator workforce shortage through compensation incentives and training for early educators, child care scholarships for low- and middle-income working families, and incentives for employers to invest in employee child care.

**Reduce the Child Care Workforce Shortage Through Compensation Incentives.** Support innovative solutions for competitive compensation that help stabilize and grow the early education workforce. Prioritize free or reduced cost child care for child care early educators and expanding the WAGE\$ program and retention incentives.

**Strengthen Early Educator Career Pathways.** Building on state funded resources such as high school career and technical education (CTE), dual enrollment, Tennessee Promise and Reconnect, and apprenticeships, invest further in innovative training pathways, stackable credentials, and work-based learning initiatives to grow the early educator workforce.

**Establish Cost Modeling to Strengthen Program Quality.** Conduct a cost-of-quality study and adopt a statewide cost model to guide child care reimbursement rates and provider contracts — ensuring public funds are used efficiently and tied to quality outcomes.

**Pilot a Tri-Share Child Care Model.** Launch a Tri-Share pilot where the cost of child care is shared by employers, employees, and the state — a proven public-private partnership that helps businesses recruit and retain workers while making care more affordable for working families.

**Define Solutions to the Undercount of Economically Disadvantaged Children.** Ensure that TISA allocations to LEAs and federal child care funds to states — both calculated in part based on definitions/counts of disadvantaged children — fully account for the number of disadvantaged children so funding intended to support the care and education of disadvantaged children reaches the intended people.



## Health and Mental Health

**Prioritize Prenatal, Perinatal, Infant and Early Childhood and Maternal Health Services.** Deploy additional resources, including TennCare and any new resources such as may become available through the federal Rural Health Transformation Program, to evidence-based health services-- including programs such as group prenatal care, doulas, voluntary home visiting services for mothers and young children to ensure young children get the healthy start they need to thrive. Additionally, scale promising pilots have demonstrated effectiveness in mitigating social determinants of health.

**Invest in team-based, integrated pediatric models** such as *HealthySteps* that connect families with early development and parenting support, including behavioral health support, through their pediatrician's office. Start with pilots in underserved areas, consider incorporating into Tennessee's Rural Health Transformation Plan, and explore sustainable funding through TennCare.

## Supported and Supportive Families

**Provide Easily Understandable Public Reports on TANF Spending and Balances.** It's been five years since Tennessee's major TANF reform. Now is the time to take stock and review progress, in part through examining revenues, expenses and balances. Making TANF budget data more accessible to the public and lawmakers on a regular, annual basis will support accountability and build trust that dollars meant to uplift families are deployed effectively for that purpose.

**Promote Access to Paid Parental Leave.** Build on the state's paid parental leave program for public sector employees by establishing a parental leave insurance program that ensures parents working in the private sector also have the option for paid leave following the birth, adoption, or fostering of a child. Paid parental leave strengthens families, supports infant well-being, and helps employers retain a stable, reliable workforce. It also serves as a smart policy lever to ease pressure on Tennessee's strained infant child care market — allowing parents to stay home during a child's earliest months, when care is most expensive and hardest to find.