119TH CONGRESS
2D SESSION

S. _____

To amend the Internal Revenue Code of 1986 to provide incentives for students to earn child care-related degrees and to work in child care facilities.

IN THE SENATE OF THE UNITED STATES

Mrs. SHAHEEN (for herself, Mr. KING, and Ms. KLOBUCHAR) introduced the following bill; which was read twice and referred to the Committee on

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A BILL

To amend the Internal Revenue Code of 1986 to provide incentives for students to earn child care-related degrees and to work in child care facilities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Right Start Child Care and Education Act of 2026''.

SEC. 2. 3-YEAR CREDIT FOR INDIVIDUALS HOLDING CHILD CARE-RELATED DEGREES WHO WORK IN LICENSED CHILD CARE FACILITIES.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 36B the following new section:

"SEC. 36C. RIGHT START CHILD CARE AND EDUCATION CREDIT.

''(a) IN GENERAL.—In the case of an individual who is an eligible child care provider for the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year the amount of—

''(1) $4,500, in the case of an eligible child care provider with a bachelor's degree described in subsection (c)(1)(A)(i),

''(2) $3,000, in the case of an eligible child care provider with an associate's degree described in such subsection, and

''(3) $1,500, in any other case.

''(b) 3-YEAR CREDIT.—

''(1) IN GENERAL.—The credit allowable by subsection (a) for any taxable year to an individual shall be allowed for such year only if the individual elects the application of this section for such year.

''(2) ELECTION.—An election to have this section apply may not be made by an individual for any taxable year if such an election by such individual is in effect for any 3 prior taxable years.

''(c) ELIGIBLE CHILD CARE PROVIDER.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible child care provider' means, for any taxable year, any individual if—

''(A) as of the close of such taxable year, such individual—

''(i) holds—

''(I) a bachelor's degree, or

''(II) an associate's degree,

in early childhood education, child care, or a related degree, and such degree was awarded by an eligible educational institution (as defined in section 25A(f)(2)), or

''(ii) holds an active Child Development Associate credential issued by the Council for Professional Recognition, and

''(B) during such taxable year, such individual performs at least 1,200 hours of child care services at a facility if—

"(i) the principal use of the facility is to provide child care services,

"(ii) no more than 25 percent of the children receiving child care services at the facility are children (as defined in section 152(f)) of the individual or such individual's spouse, and

"(iii) the facility meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including the licensing of the facility as a child care facility.

Subparagraph (B)(i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

"(2) CHILD CARE SERVICES.—The term 'child care services' means child care and early childhood education.".

(b) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) of the Internal Revenue Code of 1986 is amended by inserting ", 36C" after "36B".

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting ", 36C" after "36B".

(c) CLERICAL AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 36B the following new item:

"Sec. 36C. Right start child care and education credit.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2026.