

119th Congress: The SEED Act

Early childhood educators play a critical role in supporting children's development and enabling parents to work. To ensure young learners can succeed, many use their own money to buy necessary supplies for their classrooms. Unlike their K-12 counterparts, however, early childhood educators are not able to deduct a portion of these expenses from their taxes.

The bipartisan SEED Act would change that, extending the existing federal tax deduction for out-of-pocket classroom expenses to include early childhood educators.

Here are the First Five Things to Know about the SEED Act in the 119th Congress:

- 1** **The Supporting Early-Childhood Educators' Deductions (SEED) Act is bipartisan and bicameral.** The House bill was introduced by Reps. Jimmy Panetta (D-CA), Brian Fitzpatrick (R-PA), Maggie Goodlander (D-NH), and David Valadao (R-CA). The Senate bill was introduced by Sens. Michael Bennet (D-CO) and Susan Collins (R-ME).
- 2** **Early childhood educators regularly spend their own money on classroom supplies.** Educators spend an average of \$860 a year of their own money on supplies for their students. More than 90% of early childhood educators report paying out-of-pocket for materials like books, learning tools, and supplies for the children in their care.
- 3** **While K-12 teachers are able to take a tax deduction for these out-of-pocket costs, pre-K and early childhood educators are not. The SEED Act would rectify this.** The SEED Act would allow early childhood educators to also take an "above-the-line" deduction (meaning they can claim the deduction whether or not they itemize their tax deductions) of up to \$350 for classroom supplies, educational materials, and professional development opportunities.
- 4** **The SEED Act supports early childhood educators.** Nationwide, early childhood educators earn a median hourly wage of \$13.07, or less than half of what elementary school teachers earn.
- 5** **By supporting early childhood educators, the SEED Act also supports working families and employers.** According to the Buffet Early Childhood Institute, "Including early educators in the Educator Expense Deduction may be a relatively low-cost way to increase early educator retention by easing a portion of their financial burden and demonstrating they are respected for the important work they do providing child care to support families and businesses and educating young children."

The Bottom Line

Early childhood educators often spend their own money on supplies children need to succeed. The bipartisan, bicameral SEED Act would allow them to deduct a portion of these out-of-pocket expenses, supporting these important workers and strengthening the overall child care system for parents and employers.

FFYF's Take

FFYF Executive Director Sarah Rittling: "Early educators play a vital role in helping children learn and grow while preparing them to enter kindergarten ready to succeed, yet too often they pay out of pocket for necessary classroom supplies. The SEED Act is a commonsense, bipartisan proposal from Representatives Panetta, Goodlander, Valadao, and Fitzpatrick that would ease this burden and support the educators our youngest learners and their families rely on every day."

Notable Quotes

Rep. Jimmy Panetta (D-CA): "Early childhood educators often reach into their own pockets to cover the cost of classroom materials for their students. The SEED Act would allow them to claim the same tax deduction already available to K-12 teachers. This change not only provides relief for those educators but also shows that we value their commitment to giving our youngest children the foundation they need to thrive."

Rep. Brian Fitzpatrick (R-PA): "For early childhood teachers, every crayon, book, and learning tool is more than a supply — it's an investment in a child's future. In PA-1 and across the nation, our educators routinely reach into their own paychecks because they refuse to let a student go without. The SEED Act affirms their dedication by extending to pre-K educators the same classroom deduction K-12 teachers already receive, correcting an unfair exclusion, strengthening the workforce, and putting more resources into our children's hands during their most critical years."

Sen. Michael Bennet (D-CO): "As a former school superintendent, I know that many educators often spend their own money to provide their students with the supplies they need to succeed. We must ensure that all educators — especially those who teach our youngest children — can deduct these costs from their taxes. I'm grateful to work with bipartisan partners in Congress and in Colorado to pass this bill and deliver for educators and kids."

Sen. Susan Collins (R-ME): "In Maine and across the country, we are fortunate to have so many dedicated educators who work hard to ensure that every child has a learning environment that is safe, welcoming, and enriching. In spite of tight budgets and their own modest salaries, it is truly remarkable how often teachers use money out of their own pockets to purchase classroom supplies for their children. As the author of the original tax credit for K-12 teachers, I am delighted to join this effort to expand this benefit to pre-K educators. This tax credit would help more people by reimbursing early childhood educators for the resources they invest in our children's future."

Deeper Dive

- [FFYF's letter of support for the SEED Act.](#)
- [Bipartisan child care and early learning legislation in the 119th Congress.](#)

About First Five Years Fund

The first five years last forever. At First Five Years Fund, we work to protect, prioritize, and build bipartisan support for quality child care and early learning programs at the federal level. Reliable, affordable, and high-quality early learning and child care can be transformative, not only enhancing a child's prospects for a brighter future but also bolstering working parents and fostering economic stability nationwide. Join us at www.ffyf.org.