

An American Caregiver Program



What's at Stake

The United States faces a series of serious challenges when it comes to caregiving and affordability. These include:

- For millions of families with children, child care is expensive, hard to find, and too inflexible to meet their specific needs.
- As detailed [in this recent Policy Focus](#), by IWF's Kristin Shapiro, millions of seniors need additional support and assistance so they can age in place, but it's hard to find qualified and affordable help.
- For millions of Americans and people living in the United States, housing is expensive and scarce. Rent has gone up [more than 20%](#) since the Biden-Harris administration began in 2021.

The process one would need to undertake to calculate how to properly pay a live-in caregiver, and ensure that one complies with the [Fair Labor Standards Act](#) and other legal requirements, reveals why relatively few such relationships exist—at least relationships that are “on the books.” Families and workers who seek out caregiving relationships that are outside of the law are not only vulnerable to enforcement for failure to comply with tax and labor laws but are also left vulnerable to exploitation and other negative outcomes.

A Better Approach

Congress should create a new American Caregivers Program, housed within the Department of Labor, replicating the State Department's structure overseeing caregivers and host families.

In this new program, private sponsor organizations would oversee these work/host relationships and Congress would expressly preempt certain existing federal and state requirements—including those governing wages, record-keeping, and the landlord/tenant relationship—that would complicate or impede successful implementation. As with the current au pair program, employers would need to pay the sponsor organization for their service in identifying and vetting a domestic caregiver and for overseeing the relationship.

This program would also offer new work opportunities for communities that need it. This could provide opportunities for recent legal immigrants in a way that is similar to the current au pair program, enabling them to find housing and integrate into the country and American culture. It could also provide opportunities for students in higher education programs to obtain housing and provide for themselves while working toward educational and other goals. It can also provide an opportunity for the growing share of Americans—particularly older women—who are approaching retirement but feel financially insecure: they could save on housing costs, while working and saving for retirement.

Addressing Misperceptions

MISPERCEPTIONS	FACTS
This program would only work for very high-income families or seniors.	Even with the need for payment to the sponsoring organization (which could be structured so that it could be paid over time rather than as an upfront fee), this relationship would still be a relatively affordable option for families that have the space for live-in help, compared to other caregiving options that currently exist. The current out-of-pocket cost of hosting an au pair is about \$1,800 per month (in addition to room and board). Particularly in high-cost living areas and for families with multiple children, this is relatively affordable compared to standard day care.
Caregivers would be at risk for exploitation.	Many families and workers already seek out a similar arrangement but off the books. This would create a clear pathway for families and seniors to find the help they need while protecting workers by program oversight—particularly through the sponsoring organizations.
This sort of caregiver is not needed	Caregivers along these lines work with families across the country. Whether in a traditional childcare role, or a mother's helper, many families employ help to cover responsibilities at home. Families with a spare room could provide housing, board, and financial support to vetted workers in exchange for a set number of hours worked, which could include anything from child care to shopping, driving, and light housework.

To learn more, read [Policy Focus: An American Caregiver Program](#)