Center for Early Learning Funding Equity
NORTHERN ILLINOIS UNIVERSITY

Early Learning Shortchanged:

Public Investment in Early Care and Education by Age and State (2023 Data)

SHORTCHANGED
TRACKING PUBLIC INVESTMENT IN EARLY LEARNING

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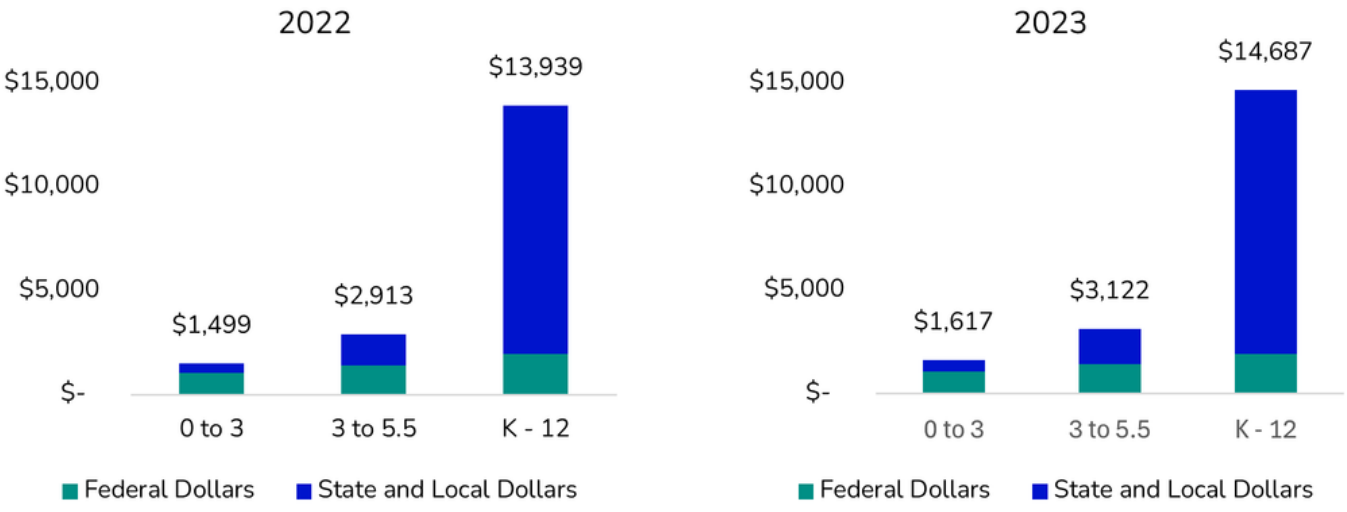
The United States continues to underinvest in its youngest learners. In 2023, public spending on young children's education and care was **84% lower** than spending on school-aged children.[1] Using newly compiled federal, state, and local expenditure data, this report from the Center for Early Learning Funding Equity (CELFE) examines how early care and education (ECE) funding is distributed across age groups, geography, and funding sources and highlights persistent disparities in public investments in these crucial years of development.[2] In collecting both state and federal expenditure data in every state, the authors have created the most accurate record to date of the flow of state and federal dollars into state ECE systems nationwide. This is critical information for policymakers and advocates to have as they assess the systems in which they operate and consider where to allocate resources.

Nationally, CELFE found that in 2023, **for every public dollar spent on the education and care of a school-aged child, only 21 cents were spent on a preschooler, while 11 cents were spent on an infant or toddler,** the same averages as the previous year. Although public spending increased for early learners nationally, it did so at a rate proportional to K-12 spending. The graphs below show the national average per capita spending by age group and by source for 2022 and 2023.

Per Capita Spending by Age Group (National Average)



[1]Our analysis draws on both federal and state fiscal year data. Because federal and state fiscal years often follow different calendars, the time periods covered do not always align precisely, which may affect year-to-year comparisons.

[2]See Appendix B for a full list of funding sources used in our analysis and more detail on our data collection methodology. Our current local data includes K-12 spending drawn from the Local Education Agency (School District) Finance Survey (F-33). Local funding structures specific to ECE will be addressed in future iterations of this report.

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In collecting state-level ECE expenditure data, we identified nearly **$7.5 billion in additional state investments** in early care and education that are not otherwise captured in national reporting. This represents an increase of approximately $8 million in unreported state investments over the previous year (See Appendix A, Table 5 for the state-by-state breakdown). Additionally, **twenty-two states spent over the required CCDF match and maintenance of effort on child care,** and all but four states spent more than what was captured in national reporting.

While many states increased their investments in their early care and education systems from 2022 to 2023, others fell further behind. In this analysis, we examine the total amount each state invests in its ECE system, and also rank each state's per capita spending on younger children relative to older children.

Visit our interactive ECE Spending Map to get in-depth state-by-state summaries and analyses, and to download each state's expenditure data.

What We Did

How we define public early care and education spending: We analyzed federal, state, and local funding streams that support child care, preschool, home visiting, early intervention, and special education services for children from birth to kindergarten entry. To isolate early care and education, we excluded from our analyses other essential funding for children's development like family nutrition assistance, housing, and healthcare. Importantly, we also excluded COVID relief dollars used to support the early care and education field from our analysis as these funds were temporary in most cases.

Why we use per capita spending: We analyzed funding streams by the number of children living in each state in each age group, rather than by the number of children served by each program. This analytical choice reflects CELFE's belief that every child born in the U.S. should have access to appropriate early learning experiences, just as every child has access to public education. Though not every family chooses public school, every child can enroll. The same should be true for families with young children.

How we designate age groups: We disaggregated funding streams based on the following age groupings: infants and toddlers (birth to third birthday), preschoolers (ages three to five years, six months), and children in the K-12 years (ages five years, six months to eighteen years, six months). Rather than assume all five-year-olds – or no five-year-olds – are served in the early childhood system, we split this birth cohort in half to more accurately represent when children enter kindergarten and are therefore served by different funding systems.

Why we use 2023 data: This is the latest consistently available expenditure data for the federal funding streams we analyze. We analyze the state expenditure data that most closely matches the federal fiscal year for 2023. CELFE will update these analyses as more recent data becomes available. (See Appendix B for a more detailed explanation of our data collection and methodology.)

What we mean by actual state spending: We located expenditure budgets for each state and reviewed them line by line to determine the real total state spending (above federal spending, state-reported matches, and maintenance of efforts, as well as NIEER's state/local preschool analysis). We validated state data when possible and will continue to verify and update it as needed.

How we rank state investments: To account for variations in cost of living, population, social and political contexts, and other differences across states, we analyzed the ratios of state and local per capita spending by age group compared to per capita K-12 investments. We then ranked the states according to how close or far away their per capita ECE investments are from their K-12 investments (See Appendix A, Table 3 for the full list of state rankings.)

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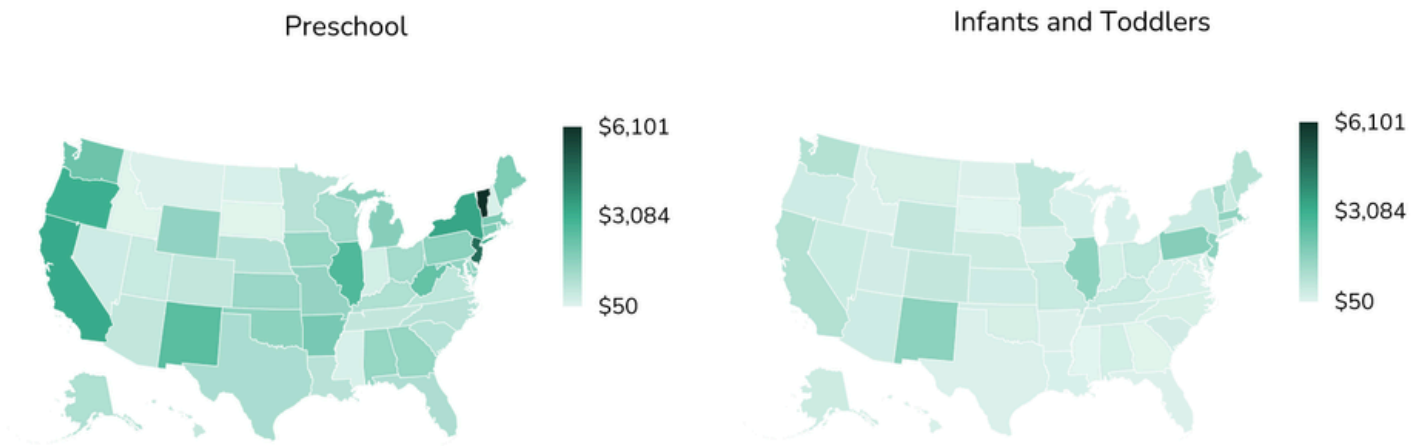
What We Found

Most states invest more in preschoolers than in infants and toddlers:

On average, states spent 68% less on infants and toddlers than they did on preschoolers. This is clearly demonstrated in the maps below, which show per capita spending by state for each age group.

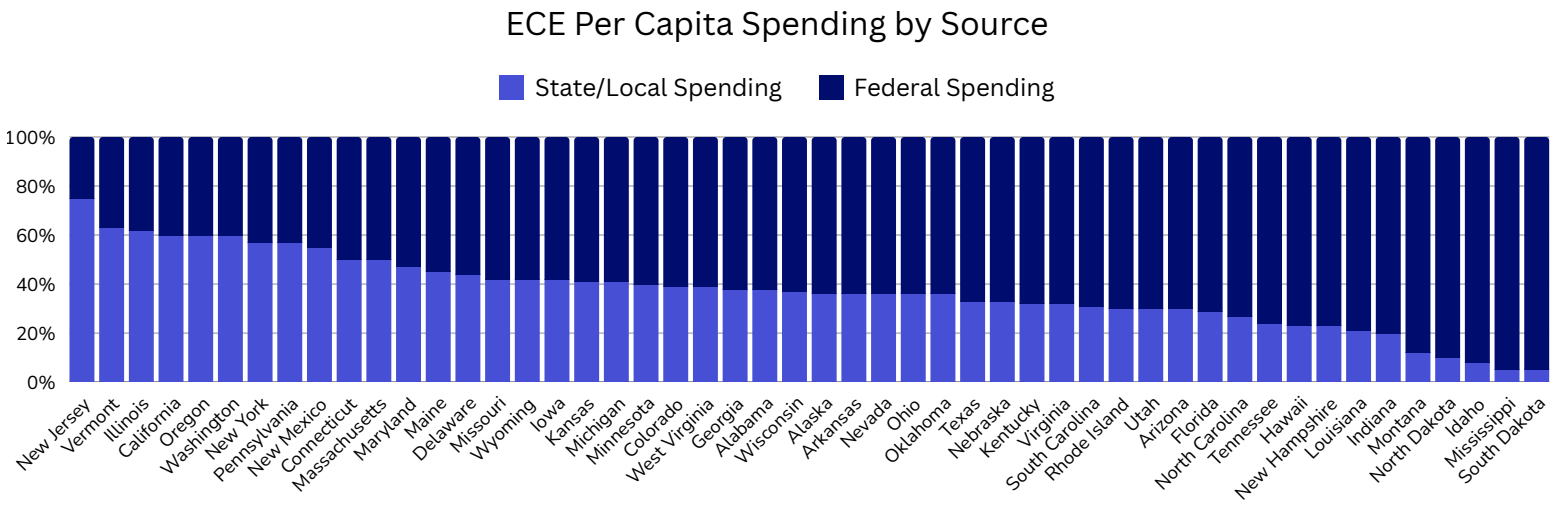
The preschool map shows significantly more variation, with a handful of states investing at notably higher levels per capita than their peers, like Vermont (over $6,000 per capita) and New Jersey (over $4,600 per capita). The infant and toddler map, by contrast, is more uniform, with states mostly clustered at the lower end of the spending scale – between $50 and $500 per capita. This pattern reflects how public investment in the earliest years remains limited and inconsistent nationwide, even as preschool funding has grown in many states.

State Per Capita Spending by Age Group



All states remain reliant on federal dollars to fund their early care and education systems:

The chart on the next page shows ECE per capita spending by funding source across states in 2023. While all states rely on federal dollars to some extent, the degree of dependence varies widely. States like New Jersey, Vermont, and Illinois fund roughly 60–75% of ECE spending through state and local sources, while others like South Dakota and Mississippi rely on state/local dollars for less than 10% of total ECE investment.



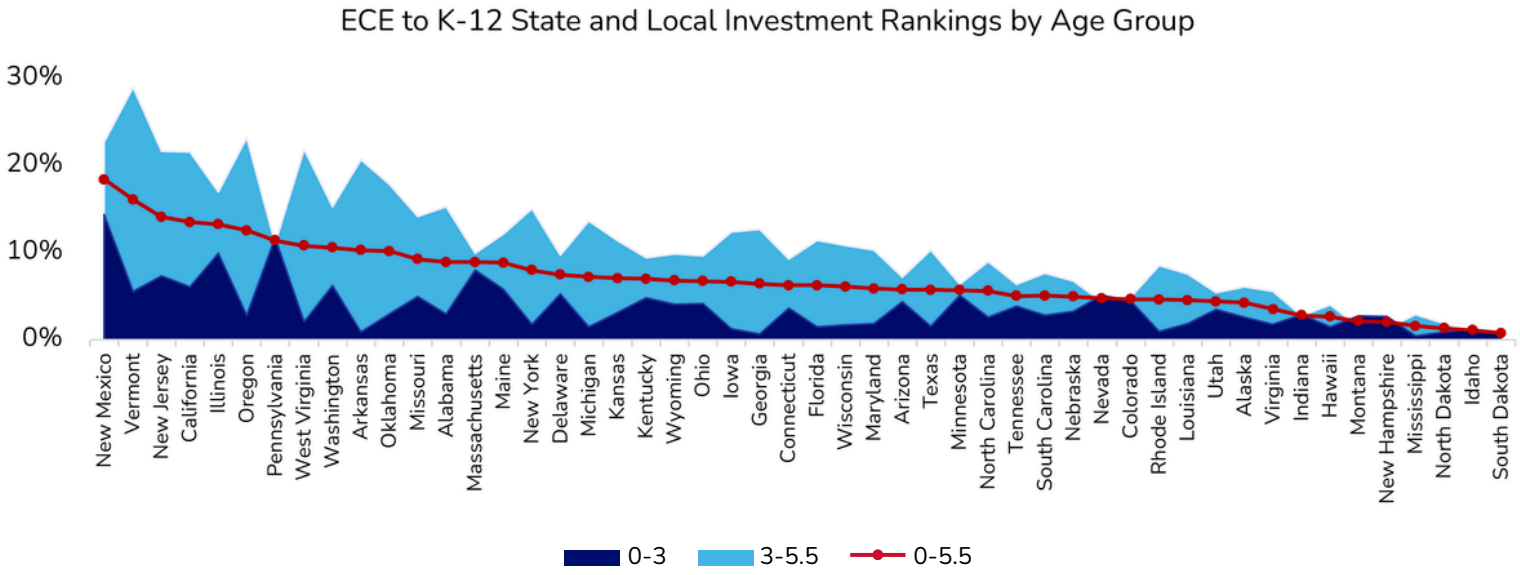
These contributions can also vary by age group: only 5 states provide over 50% of total funding for infants and toddlers, while 16 states provide over 50% of total funding for preschoolers (see Appendix A, Table 2 for a more detailed breakdown of per capita spending by age and funding source).

Changes in state investments are reflected in the new state rankings:

There was meaningful movement in our rankings of state and local ECE investments from 2022 to 2023 (See Appendix Table 3 for 2023 rankings and Appendix Table 4 for changes in rankings from 2022 to 2023). Seven states moved up in all three categories: infants and toddlers, preschool, and overall ECE-to-K-12 spending. The most notable was **Massachusetts, which climbed 19 spots overall (from 33rd to 14th out of 50), thanks to a significant state investment in the Commonwealth Cares for Children (C3) program.** Kansas also improved across the board, gaining 6 spots overall with smaller but consistent gains in both age groups.

Conversely, several states fell in the rankings. Kentucky and Maryland saw some of the steepest declines, with Kentucky dropping 9 spots in preschool spending and Maryland falling 8 spots in preschool and 9 spots overall (from 19th to 28th out of 50). Florida remained consistent in its preschool ranking but fell 9 spots in infant and toddler spending.

The graph below shows the new state rankings for children birth-to-kindergarten-entry for 2023. It also illustrates the significant variation in state and local expenditures across age groups. The red dotted line shows the total ratio of per capita birth-to-kindergarten-entry investments relative to school-aged investments, along with each state's comparative ranking in descending order.



Notably, a few states made significant gains in their infant and toddler spending relative to K-12: Nebraska rose 8 spots in our infant and toddler rankings alongside modest gains in the other two categories, and Vermont moved from 15th to 9th out of 50.

What It Means

CELFE's analyses reveal that most states continue to invest significantly more in ECE than previously reported, particularly in child care, early intervention, and home visiting programs. Some states, like Massachusetts and Vermont, invested significantly more in their ECE systems in 2023 compared to previous years. Yet by every metric, the nation's youngest learners continue to be shortchanged – a pattern that is especially true for infants and toddlers, who receive far less public investment than their preschool-aged peers. Additionally, every state relies heavily on federal funding streams to sustain their ECE systems, leaving programs vulnerable to federal policy shifts. Shrinking the funding gap between age groups will require sustained and creative state and local strategies.

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What's Next

Many states have increased their ECE investments since 2023. CELFE will continue to track changes in state investments over time and update our rankings, analysis, and website accordingly. In future reports, we aim to provide greater depth and context on states' specific ECE financing systems by building stronger connections with state administrators. We also recognize that many localities have their own unique funding mechanisms to support early care and education. In future analysis, we intend to elevate specific localities as case studies to highlight different and creative approaches to ECE funding design.

About CELFE

The Center for Early Learning Funding Equity (CELFE) at Northern Illinois University works with states, philanthropy, and other partners to redesign early learning financing strategies in a way that better focuses equitable funding on the needs of children and families. Our work is data-driven, informed by over 30 years of experience working inside and outside of government and thinking creatively about how to design and implement meaningful change. As the only university-based organization focused specifically on strategic early childhood education and care financing, CELFE believes how much money is invested matters. Further, CELFE contends that how those funds are distributed is the greatest policy lever available to ensure an equitable ECE system for children ages 0-5. Learn more at celfe.org.

Acknowledgements

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[3]Our advisory committee includes: Chad Aldeman, Charlie Bruner, Danielle Ewen, Carlise King, Hannah Matthews, Karen Schulman, Marcia Stoll, Amelia Vaughn, Albert Wat, GG Weisenfeld, Michelle Stover Wright.

Appendix A: Tables and Figures

Table 1: State by State Dollars to Cents: Including federal AND state/local funding, 2023

State	2023			Spent for every $1 spent on K - 12		
	0 - 3	3 - K-entry	K - 12	0 - 3	3 - K-entry	0 - K-entry
Alabama	$1,553	$2,895	$11,292	$0.14	$0.26	$0.20
Alaska	$1,403	$2,364	$20,663	$0.07	$0.11	$0.09
Arizona	$1,371	$1,924	$10,453	$0.13	$0.18	$0.16
Arkansas	$1,809	$3,567	$11,650	$0.16	$0.31	$0.23
California	$2,077	$4,653	$16,782	$0.12	$0.28	$0.20
Colorado	$1,272	$1,672	$13,749	$0.09	$0.12	$0.11
Connecticut	$1,883	$3,171	$22,019	$0.09	$0.14	$0.11
Delaware	$2,371	$3,195	$18,648	$0.13	$0.17	$0.15
Florida	$1,249	$2,436	$10,456	$0.12	$0.23	$0.17
Georgia	$1,087	$2,757	$13,008	$0.08	$0.21	$0.15
Hawaii	$1,132	$2,034	$15,612	$0.07	$0.13	$0.10
Idaho	$926	$1,209	$9,186	$0.10	$0.13	$0.12
Illinois	$2,767	$4,045	$17,772	$0.16	$0.23	$0.19
Indiana	$1,184	$1,637	$11,474	$0.10	$0.14	$0.12
Iowa	$950	$2,714	$12,774	$0.07	$0.21	$0.14
Kansas	$1,355	$2,742	$13,622	$0.10	$0.20	$0.15
Kentucky	$1,786	$2,800	$12,675	$0.14	$0.22	$0.18
Louisiana	$1,718	$2,769	$13,127	$0.13	$0.21	$0.17
Maine	$2,355	$3,708	$16,970	$0.14	$0.22	$0.18
Maryland	$1,098	$2,610	$16,376	$0.07	$0.16	$0.11
Massachusetts	$2,840	$3,896	$20,807	$0.14	$0.19	$0.16
Michigan	$1,188	$3,281	$14,362	$0.08	$0.23	$0.23
Minnesota	$1,545	$2,062	$14,158	$0.11	$0.15	$0.13
Mississippi	$1,539	$3,066	$10,334	$0.15	$0.30	$0.22
Missouri	$1,583	$2,930	$11,822	$0.13	$0.25	$0.19
Montana	$1,552	$1,857	$11,754	$0.13	$0.16	$0.14
Nebraska	$1,599	$2,078	$14,013	$0.11	$0.15	$0.13
Nevada	$1,230	$1,080	$10,592	$0.12	$0.10	$0.11
New Hampshire	$1,336	$1,461	$17,616	$0.08	$0.08	$0.08
New Jersey	$2,529	$5,795	$23,513	$0.11	$0.25	$0.17

Table 1: State by State Dollars to Cents: Including federal AND state/local funding, 2023 (Continued)

State	2023			Spent for every $1 spent on K - 12		
	0 - 3	3 - K-entry	K - 12	0 - 3	3 - K-entry	0 - K-entry
New Mexico	$3,186	$4,304	$13,623	$0.23	$0.32	$0.27
New York	$1,393	$4,954	$24,507	$0.06	$0.20	$0.12
North Carolina	$1,419	$2,277	$10,950	$0.13	$0.21	$0.17
North Dakota	$1,187	$1,809	$14,334	$0.08	$0.13	$0.10
Ohio	$1,629	$2,958	$14,130	$0.12	$0.21	$0.16
Oklahoma	$1,864	$3,148	$10,600	$0.18	$0.30	$0.23
Oregon	$1,272	$4,368	$14,683	$0.09	$0.30	$0.19
Pennsylvania	$2,709	$3,152	$16,449	$0.16	$0.19	$0.18
Rhode Island	$1,568	$3,239	$18,433	$0.09	$0.18	$0.13
South Carolina	$1,413	$2,355	$13,192	$0.11	$0.18	$0.14
South Dakota	$948	$1,549	$10,492	$0.09	$0.15	$0.12
Tennessee	$1,491	$2,221	$10,617	$0.14	$0.21	$0.17
Texas	$1,178	$2,284	$12,095	$0.10	$0.19	$0.14
Utah	$1,042	$1,630	$10,048	$0.10	$0.16	$0.13
Vermont	$2,932	$8,333	$23,442	$0.13	$0.36	$0.23
Virginia	$1,011	$1,807	$14,336	$0.07	$0.13	$0.10
Washington	$1,781	$3,291	$15,929	$0.11	$0.21	$0.16
West Virginia	$1,427	$4,864	$13,166	$0.11	$0.37	$0.22
Wisconsin	$1,146	$2,479	$12,474	$0.09	$0.20	$0.14
Wyoming	$1,806	$3,164	$17,648	$0.10	$0.18	$0.14
US	$1,617	$3,122	$14,687	$0.11	$0.21	$0.16

Table 2: Percent per capita spending by age group and funding source, FY 2023

State	Percent Per Capita Spending by Age and Funding Source					
	0 -3		3 - K-entry		K - 12	
	Federal	State/Local	Federal	State/Local	Federal	State/Local
Alabama	82%	18%	51%	49%	17%	83%
Alaska	71%	29%	59%	41%	22%	78%
Arizona	73%	27%	68%	32%	19%	81%
Arkansas	96%	4%	46%	54%	20%	80%
California	57%	43%	31%	69%	12%	88%
Colorado	57%	43%	64%	36%	9%	91%
Connecticut	61%	39%	41%	59%	8%	92%
Delaware	64%	36%	51%	49%	13%	87%
Florida	90%	10%	60%	40%	18%	82%
Georgia	94%	6%	49%	51%	14%	86%
Hawaii	82%	18%	73%	27%	11%	89%
Idaho	90%	10%	94%	6%	16%	84%
Illinois	43%	57%	34%	66%	11%	89%
Indiana	76%	24%	84%	16%	14%	86%
Iowa	85%	15%	48%	52%	11%	89%
Kansas	73%	27%	51%	49%	13%	87%
Kentucky	72%	28%	65%	35%	18%	82%
Louisiana	89%	11%	71%	29%	20%	80%
Maine	63%	37%	50%	50%	9%	91%
Maryland	76%	24%	43%	57%	11%	89%
Massachusetts	47%	53%	52%	48%	9%	91%
Michigan	85%	15%	49%	51%	14%	86%
Minnesota	58%	42%	61%	39%	11%	89%
Mississippi	98%	2%	93%	7%	24%	76%
Missouri	69%	31%	51%	49%	14%	86%
Montana	83%	17%	92%	8%	19%	81%
Nebraska	75%	25%	60%	40%	13%	87%
Nevada	63%	37%	65%	35%	12%	88%
New Hampshire	68%	32%	86%	14%	17%	83%
New Jersey	32%	62%	19%	81%	9%	91%

Table 2: Percent per capita spending by age group and funding source, FY 2023 (Continued)

State	Percent Per Capita Spending by Age and Funding Source					
	0 -3		3 - K-entry		K - 12	
	Federal	State/Local	Federal	State/Local	Federal	State/Local
New Mexico	50%	50%	41%	59%	18%	82%
New York	73%	27%	33%	67%	10%	90%
North Carolina	84%	16%	65%	35%	18%	82%
North Dakota	91%	9%	88%	12%	17%	83%
Ohio	69%	31%	61%	39%	15%	85%
Oklahoma	86%	14%	51%	49%	18%	82%
Oregon	71%	29%	30%	70%	10%	90%
Pennsylvania	37%	63%	49%	51%	11%	89%
Rhode Island	90%	10%	59%	41%	15%	85%
South Carolina	78%	22%	63%	37%	14%	86%
South Dakota	94%	6%	96%	4%	21%	79%
Tennessee	78%	22%	75%	25%	18%	82%
Texas	87%	13%	55%	45%	17%	83%
Utah	70%	30%	70%	30%	10%	90%
Vermont	60%	40%	27%	73%	10%	90%
Virginia	79%	21%	61%	39%	12%	88%
Washington	51%	49%	34%	66%	10%	90%
West Virginia	85%	15%	52%	48%	19%	81%
Wisconsin	84%	16%	53%	47%	13%	87%
Wyoming	66%	34%	53%	47%	14%	86%

Table 3: State Rankings: Ratio of State ECE spending per capita compared to only State/Local K-12 spending per capita, FY 2023

Rank	0 - 3	Ratio	Rank	3 - K-Entry	Ratio	Rank	0 - K-Entry	Ratio
1	New Mexico	14%	1	Vermont	29%	1	New Mexico	18%
2	Pennsylvania	12%	2	Oregon	23%	2	Vermont	16%
3	Illinois	10%	3	New Mexico	23%	3	New Jersey	14%
4	Massachusetts	8%	4	West Virginia	22%	4	California	13%
5	New Jersey	7%	5	New Jersey	22%	5	Illinois	13%
6	Washington	6%	6	California	22%	6	Oregon	13%
7	California	6%	7	Arkansas	21%	7	Pennsylvania	11%
8	Maine	6%	8	Oklahoma	18%	8	West Virginia	11%
9	Vermont	5%	9	Illinois	17%	9	Washington	11%
10	Delaware	5%	10	Washington	15%	10	Arkansas	10%
11	Nevada	5%	11	Alabama	15%	11	Oklahoma	10%
12	Minnesota	5%	12	New York	15%	12	Missouri	9%
13	Missouri	5%	13	Missouri	14%	13	Alabama	9%
14	Kentucky	5%	14	Michigan	14%	14	Massachusetts	9%
15	Colorado	4%	15	Georgia	13%	15	Maine	9%
16	Arizona	4%	16	Iowa	12%	16	New York	8%
17	Ohio	4%	17	Maine	12%	17	Delaware	7%
18	Wyoming	4%	18	Florida	11%	18	Michigan	7%
19	Tennessee	4%	19	Kansas	11%	19	Kansas	7%
20	Connecticut	4%	20	Pennsylvania	11%	20	Kentucky	7%
21	Utah	3%	21	Wisconsin	11%	21	Wyoming	7%
22	Nebraska	3%	22	Maryland	10%	22	Ohio	7%
23	Kansas	3%	23	Texas	10%	23	Iowa	7%
24	Alabama	3%	24	Massachusetts	10%	24	Georgia	6%
25	Oklahoma	3%	25	Wyoming	10%	25	Connecticut	6%
26	Indiana	3%	26	Delaware	10%	26	Florida	6%
27	Oregon	3%	27	Ohio	10%	27	Wisconsin	6%
28	South Carolina	2%	28	Kentucky	9%	28	Maryland	6%
29	Montana	2%	29	Connecticut	9%	29	Arizona	6%
30	New Hampshire	2%	30	North Carolina	9%	30	Texas	6%
31	North Carolina	2%	31	Rhode Island	9%	31	Minnesota	6%
32	Alaska	2%	32	South Carolina	8%	32	North Carolina	6%

Table 3: State Rankings: Ratio of State ECE spending per capita compared to only State/Local K-12 spending per capita, FY 2023 (Continued)

Rank	0 - 3	Ratio	Rank	3 - K-Entry	Ratio	Rank	0 - K-Entry	Ratio
33	West Virginia	2%	**33**	Louisiana	8%	**33**	South Carolina	5%
34	Louisiana	2%	**34**	Arizona	7%	**34**	Tennessee	5%
35	Maryland	2%	**35**	Nebraska	7%	**35**	Nebraska	5%
36	New York	2%	**36**	Minnesota	6%	**36**	Nevada	5%
37	Virginia	2%	**37**	Tennessee	6%	**37**	Colorado	5%
38	Wisconsin	2%	**38**	Alaska	6%	**38**	Rhode Island	5%
39	Texas	1%	**39**	Virginia	6%	**39**	Louisiana	5%
40	Hawaii	1%	**40**	Utah	5%	**40**	Utah	4%
41	Michigan	1%	**41**	Colorado	5%	**41**	Alaska	4%
42	Florida	1%	**42**	Nevada	4%	**42**	Virginia	3%
43	Iowa	1%	**43**	Hawaii	4%	**43**	Indiana	3%
44	Idaho	1%	**44**	Mississippi	3%	**44**	Hawaii	3%
45	Rhode Island	1%	**45**	Indiana	3%	**45**	Montana	2%
46	North Dakota	1%	**46**	North Dakota	2%	**46**	New Hampshire	2%
47	Arkansas	1%	**47**	Montana	1%	**47**	Mississippi	2%
48	South Dakota	1%	**48**	New Hampshire	1%	**48**	North Dakota	1%
49	Georgia	1%	**49**	Idaho	1%	**49**	Idaho	1%
50	Mississippi	0%	**50**	South Dakota	1%	**50**	South Dakota	1%

Table 4: Change in Rankings, 2022 to 2023

State	2022 Rankings			2023 Rankings			Change in Ranking		
	0-3	3- K-Entry	0- K-Entry	0-3	3- K-Entry	0- K-Entry	0-3	3- K-Entry	0- K-Entry
Alabama	25	13	12	24	11	13	+1	+2	-1
Alaska	24	43	42	32	38	41	-8	+5	+1
Arizona	12	33	27	16	34	29	-4	-1	-2
Arkansas	49	7	11	47	7	10	+2	0	+1
California	6	6	5	7	6	4	-1	0	+1
Colorado	8	40	35	15	41	37	-7	-1	-2
Connecticut	17	24	21	20	29	25	-3	-5	-4
Delaware	5	29	18	10	26	17	-5	+3	+1
Florida	33	18	26	42	18	26	-9	0	0
Georgia	48	15	23	49	15	24	-1	0	-1
Hawaii	42	41	43	40	43	44	+2	-2	-1
Idaho	46	50	50	44	49	49	+2	+1	+1
Illinois	3	10	4	3	9	5	0	+1	-1
Indiana	32	44	44	26	45	43	+6	-1	+1
Iowa	36	16	20	43	16	23	-7	0	-3
Kansas	27	22	25	23	19	19	+4	+3	+6
Kentucky	9	19	14	14	28	20	-5	-9	-6
Louisiana	37	36	40	34	33	39	+3	+3	+1
Maine	7	20	15	8	17	15	-1	+3	0
Maryland	39	14	19	35	22	28	+4	-8	-9
Massachusetts	13	35	33	4	24	14	+9	+11	+19
Michigan	38	12	17	41	14	18	-3	-2	-1
Minnesota	20	30	28	12	36	31	+8	-6	-3
Mississippi	50	45	48	50	44	47	0	+1	+1
Missouri	11	9	10	13	13	12	-2	-4	-2
Montana	41	48	46	29	47	45	+12	+1	+1
Nebraska	30	37	38	22	35	35	+8	+2	+3
Nevada	10	42	37	11	42	36	-1	0	+1
New Hampshire	29	47	45	30	48	46	-1	-1	-1
New Jersey	4	4	3	5	5	3	-1	-1	0

Table 4: Change in Rankings, 2022 to 2023 (Continued)

State	2022 Rankings			2023 Rankings			Change in Ranking		
	0-3	3- K-Entry	0- K-Entry	0-3	3- K-Entry	0- K-Entry	0-3	3- K-Entry	0- K-Entry
New Mexico	1	1	1	1	3	1	0	-2	0
New York	34	11	16	36	12	16	-2	-1	0
North Carolina	28	27	29	31	30	32	-3	-3	-3
North Dakota	47	46	47	46	46	48	+1	0	+2
Ohio	18	25	24	17	27	22	+1	-2	+2
Oklahoma	22	8	8	25	8	11	-3	0	-3
Oregon	21	3	6	27	2	6	-6	+1	0
Pennsylvania	2	26	7	2	20	7	0	+6	0
Rhode Island	44	32	36	45	31	38	-1	+1	-2
South Carolina	25	31	32	28	32	33	-2	-1	-1
South Dakota	25	49	49	48	50	50	-3	-1	-1
Tennessee	19	34	34	19	37	34	0	-3	0
Texas	40	23	31	39	23	30	+1	0	+1
Utah	23	38	39	21	40	40	+2	-2	-1
Vermont	15	2	2	9	1	2	+6	+1	0
Virginia	35	39	41	37	39	42	-2	0	-1
Washington	14	17	13	6	10	9	+8	+7	+4
West Virginia	31	5	9	33	4	8	-2	+1	+1
Wisconsin	43	21	30	38	21	27	+5	0	+3
Wyoming	16	28	22	18	25	21	-2	+3	+1

Table 5: State Spending Not Captured in National Reporting, 2023

State / Territory	Nationally Reported ECE Spending	Nationally Reported Federal + State Actual ECE Spending	Difference	Percent Difference
Alabama	$631,975,346	$713,838,173	$81,862,827	13%
Alaska	$78,903,089	$99,408,357	$20,505,268	26%
Arizona	$563,020,664	$722,226,578	$159,205,915	28%
Arkansas	$508,281,723	$532,584,994	$24,303,271	5%
California	$7,017,835,843	$8,063,491,852	$1,045,656,008	15%
Colorado	$430,494,040	$506,920,405	$76,426,365	18%
Connecticut	$423,573,149	$497,546,253	$73,973,104	17%
Delaware	$115,382,830	$166,732,214	$51,349,383	45%
Florida	$2,222,880,853	$2,224,245,853	$1,365,000	0%
Georgia	$1,295,014,821	$1,335,758,670	$40,743,849	3%
Hawaii	$130,005,117	$138,644,691	$8,639,574	7%
Idaho	$131,216,901	$133,789,016	$2,572,115	2%
Illinois	$1,988,116,513	$2,637,315,761	$649,199,247	33%
Indiana	$548,676,970	$634,363,149	$85,686,179	16%
Iowa	$335,335,506	$376,971,732	$41,636,226	12%
Kansas	$353,178,597	$397,667,103	$44,488,506	13%
Kentucky	$601,138,969	$665,245,885	$64,106,916	11%
Louisiana	$676,013,220	$703,643,532	$27,630,312	4%
Maine	$153,682,994	$208,487,630	$54,804,637	36%
Maryland	$644,798,644	$719,519,028	$74,720,385	12%
Massachusetts	$788,273,338	$1,283,591,074	$495,317,736	63%
Michigan	$1,280,364,354	$1,317,492,904	$37,128,550	3%
Minnesota	$516,590,359	$663,448,359	$146,858,000	28%
Mississippi	$440,006,534	$440,006,534	$0	0%
Missouri	$576,089,802	$880,561,598	$304,471,796	53%
Montana	$103,708,454	$110,169,325	$6,460,871	6%
Nebraska	$216,555,114	$256,674,135	$40,119,022	19%
Nevada	$190,961,999	$227,025,461	$36,063,462	19%
New Hampshire	$86,611,201	$97,164,334	$10,553,133	12%
New Jersey	$1,763,369,294	$2,367,655,796	$604,286,502	34%

Table 5: State Spending Not Captured in National Reporting, 2023 (Continued)

State / Territory	Nationally Reported ECE Spending	Nationally Reported Federal + State Actual ECE Spending	Difference	Percent Difference
New Mexico	$322,945,512	$466,469,211	$143,523,699	44%
New York	$2,732,859,749	$3,704,883,571	$972,023,822	36%
North Carolina	$1,120,511,607	$1,202,861,137	$82,349,530	7%
North Dakota	$82,860,403	$82,860,403	$0	0%
Ohio	$1,316,149,409	$1,671,927,610	$355,778,201	27%
Oklahoma	$650,585,913	$680,819,664	$30,233,751	5%
Oregon	$476,215,483	$644,876,644	$168,661,161	35%
Pennsylvania	$1,644,637,220	$2,199,324,399	$554,687,179	34%
Rhode Island	$124,128,682	$140,400,110	$16,271,428	13%
South Carolina	$523,015,264	$586,222,098	$63,206,834	12%
South Dakota	$77,655,573	$77,655,573	$0	0%
Tennessee	$748,793,696	$823,162,677	$74,368,981	10%
Texas	$3,468,574,026	$3,619,940,258	$151,366,232	4%
Utah	$262,963,754	$345,475,454	$82,511,700	31%
Vermont	$159,571,533	$165,565,861	$5,994,328	4%
Virginia	$711,385,338	$748,211,272	$36,825,934	5%
Washington	$815,723,649	$1,210,845,469	$395,121,820	48%
West Virginia	$278,834,004	$288,074,102	$9,240,098	3%
Wisconsin	$615,638,574	$630,802,374	$15,163,800	2%
Wyoming	$55,370,009	$86,326,364	$30,956,355	56%
Total	$41,000,475,635	$48,498,894,647	$7,498,419,012	18%

Appendix B: Methodology

CELFE analyzed 2023 data – the latest consistently available – across major federal ECE funding streams and state-reported matches from the Department of Health and Human Services, Department of Education, Internal Revenue Service, Department of Agriculture, and the Census Bureau.[4] To assess how much states and localities invest in ECE, CELFE conducted a state-by-state review of actual program expenditures using publicly available financial documents, outreach to state officials, and public records requests.

CELFE collects and analyzes expended dollars, not appropriated dollars, at the state level. For state preschool, CELFE uses data collected by the National Institute for Early Education Research (NIEER). The CELFE team will analyze 2024 and 2025 data as it becomes available and will continue to look for state budget experts to partner with in this work.

Age Group Definition and Disaggregation:

Shortchanged provides an estimate of the dollars per child in the population that are expended for education and care, which requires clear definitions of age groups. Infants and toddlers are defined as ages 0, 1, and 2 years (3 birth cohorts); preschoolers are defined as ages 3-5.5 years (2.5 birth cohorts); and school-age children are defined as 5.5-18.5 years (13 birth cohorts). Rather than assume that all (or none) of the 5-year-old children have entered the K-12 system, CELFE has divided this age group in half. This accounts for the fact that there is a full additional birth cohort of children in the ECEC age range, the day before the kindergarten entry eligibility cut-off date.

Nationally Reported ECE Funding Sources

CELFE analyzed the below funding streams:

Child Care Funding Streams:

- Child Care and Development Fund/Block Grant (CCDF)
- Temporary Assistance to Needy Families (TANF) child care expenditures
- Social Services Block Grant (SSBG) child care expenditures

Child Care Access Means Parents in School (CCAMPIS)

- Child and Dependent Care Tax Credit (CDCTC)
- Child and Adult Care Food Program (CACFP)

[4]At the time of publishing, 2023 data for the Social Services Block Grant (SSBG) and Child and Dependent Care Tax Credit (CDCTC) were not publicly available. CELFE used 2022 data for these two funding streams in our analysis.

Preschool and Development

- Early Head Start
- Head Start
- State Preschool
- Individuals with Disabilities Education Act (IDEA) Part B/Early Childhood Special Education (only what is federally reported)
- Individuals with Disabilities Education Act (IDEA) Part C/Early Intervention

Home Visiting

- Maternal, Infant, and Early Childhood Home Visiting (MIECHV)

Other

- Preschool Development Grant Birth to Five (PDG)
- K-12 total expenditures as reported to the U.S. Department of Education

Age Disaggregation Methodology

Some of the funding sources we analyzed are already delineated for specific age groups (e.g., Head Start and Early Head Start). For others, we have developed a methodology for disaggregating funding sources by age group. For funding streams related to child care, we base the percentage of funding that is expended on each age group on our analysis of the Administration of Children and Families reported CCDF data.

With ACF CCDBG reports we:

- Determined the number of children by age group served by CCDF in each state.
- Calculated the average cost per age group in each state.
- Determined the percent of funding that was spent on each age.
- Aggregated the percent of funding per age group (0-3, 3-K-entry, K-entry and up).

We applied these CCDF percentages of children in care to estimate the number of children served in each age group through the other child care funding sources and in state-specific child care funding. We have developed a separate methodology for disaggregating children by age

served by MIECHV and in the K-12 system. For MIECHV, we estimate that 86% of children served are under 3 years old and 14% are between 3 and 5.5 years old. For K-12 expenditures, we rely on the National Center for Education Statistics school financing survey (F-33)[5] and subtract state preschool funding calculated by the National Institute for Early Education Research.[6]

State Data Collection and Analysis

CELFE located and reviewed financial documents for each state, focusing on those containing program-level 2023 actual expenditure data. Each document was examined line by line to identify expenditures related to early education and care. In some cases, we were unable to locate documents with the necessary level of detail online. For these states, we used a combination of direct outreach to state contacts and public records requests to obtain the required data.

As with the nationally reported funding streams, each identified program was categorized into the correct age group to enable accurate disaggregation by age. To estimate spending by age group, we applied our previously calculated CCDF age-group percentages to disaggregate total Child Care expenditures. These figures, combined with spending in the other age-specific categories, were used to determine total expenditures by age group for each state.

In some cases, nationally reported Child Care expenditure data, such as the CCDF State Match or TANF Maintenance of Effort, exceeded Child Care spending identified in the state budget documents. In those instances, we defaulted to the nationally reported figures. This discrepancy may reflect differences in federal and state fiscal year timing or limitations in how program spending is delineated within state budgets.

[5]U.S. Department of Education, National Center for Education Statistics. (2025). Documentation for the NCES Common Core of Data School District Finance Survey (F-33), School Year 2022–23 (Fiscal Year 2023), Provisional File Version 1a (NCES 2025-306). Retrieved February 26, 2026 from https://ies.ed.gov/use-work/resource-library

[6]Friedman-Krauss, A. H., Barnett, W. S., Hodges, K. S., Garver, K. A., Jost, T. M., Weisenfeld, G., Duer J. (2024). The State of Preschool 2023: State Preschool Yearbook. New Brunswick, NJ: National Institute for Early Education Research.