

Early Learning Shortchanged:

Tracking Public Investments in Early Care and Education (Preliminary Report: 2024)



SHORTCHANGED
TRACKING PUBLIC INVESTMENT
IN EARLY LEARNING

Theresa Hawley, Ph.D.

Kaitlyn Newell, M.Ed., M.S.

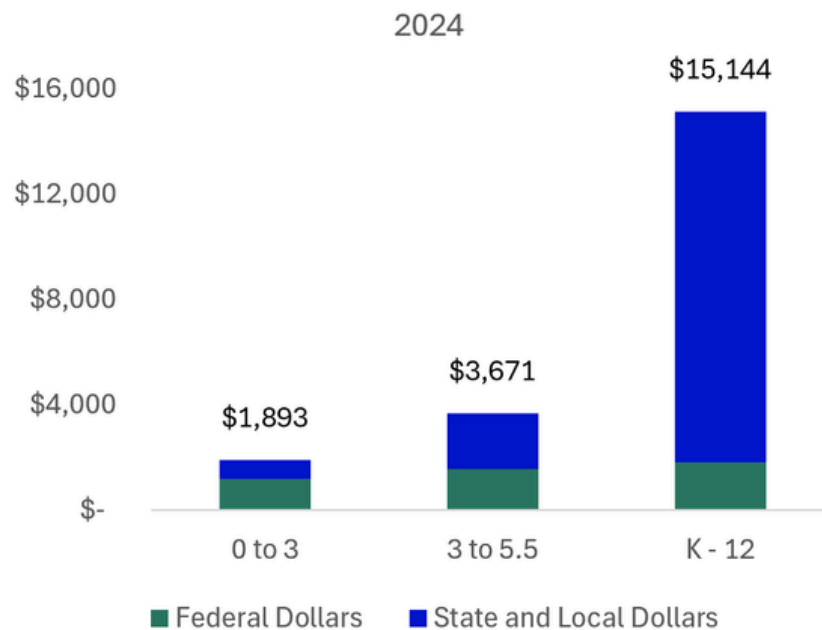
Sara Van Valkenburgh, M.P.P.

Joyce Talavera, M.P.P.

The United States historically underinvests in early care and education, despite evidence that dollars spent on children in their youngest years are the most cost-effective capital investment available.¹ This ongoing data project by the Center for Early Learning Funding Equity (CELFE) aims to present the most recent available data regarding public investments in early education and care, and continues to show that the American education system invests an inequitable amount of money in its youngest learners.

Based on preliminary data available for the 2024 fiscal year, CELFE finds that for every public dollar spent on the education and care of a school-aged child, only 24 cents were spent on a preschooler, while 13 cents were spent on an infant or toddler. While this data highlights the gap in needed funding for the nation's youngest children, it is important to note that between 2023 and 2024, spending for children aged 0 years to Kindergarten-entry increased by 17%, while K-12 spending only increased by 3%. These gains have been led by increases in state investments and are an important achievement of state policy advocates that should be celebrated. The graph below shows the national average per capita spending by age group and by source for 2024. See Appendix A, Chart 1, for this data from previous years.

Per Capita Spending by Age Group (National Average)



¹ Heckman, J. (2000). Invest in the very young. Ounce of Prevention Fund; University of Chicago Harris School of Public Policy Studies.



Though Shortchanged has documented meaningful growth, early care and education investment in the US remains far from adequately meeting the needs of children and families. Compiling the most recent available federal, state, and local expenditure data for 2024, our report examines this persistent funding gap and highlights innovative state strategies to increase investments in ECE.

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

This analysis is preliminary and will be updated as new data becomes available.

What We Did

National reporting on early childhood finance typically tracks individual funding streams, such as state preschool or federal child care allocations, rather than total public investment in the early care and education system as a whole. Our analysis is unique in drawing together every available source, including line-item detail from state budgets, to capture actual spending that national datasets miss. This matters because states and programs blend and braid funding from many sources to sustain the system.

In this report, we identified more than \$10 billion in state investment in 2024 that national reporting does not capture, a striking 23% of public ECE dollars (see Appendix A, Table 5 for each state's uncaptured spending). This represents an increase of approximately \$2.8 billion in otherwise uncaptured state investment over the previous year. As states weigh how to invest strategically in their youngest children, Shortchanged gives policymakers and advocates the information they need to accurately assess states' progress towards adequately funding their systems.

The figures in this report are preliminary because of lags in federal data reporting. At the time of publication, 2024 data for the Social Services Block Grant (SSBG) and the Child and Dependent Care Tax Credit (CDCTC) were not published, so CELFE used the most recent available data: 2022 for SSBG and 2023 for CDCTC. We also used 2024 allocations for the Child Care and Development Fund (CCDF) and will update the analysis with actual expenditures when they are published.

- ▶ **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 2024 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 2024. 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. The only local investments currently included are those tracked by NIEER for preschool; in future years, we hope to capture local investments in child care and other early learning programs.
- ▶ **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).

Why It Matters

This data is timely, as early childhood education stakeholders at the local, state, and federal level are wrestling with the shared responsibility of funding a cohesive system. Historically, the federal government has been the primary source of funding for early childhood education and care systems. However, in recent years, states have begun to think more critically about their ECE investments and what unique, practical funding and policy strategies are needed to help even their most vulnerable populations. In 2024, we find that 34 states source 50% or more of their ECE funding through federal funding streams – a notable drop from 39 states in 2023 and 41 states in 2022.

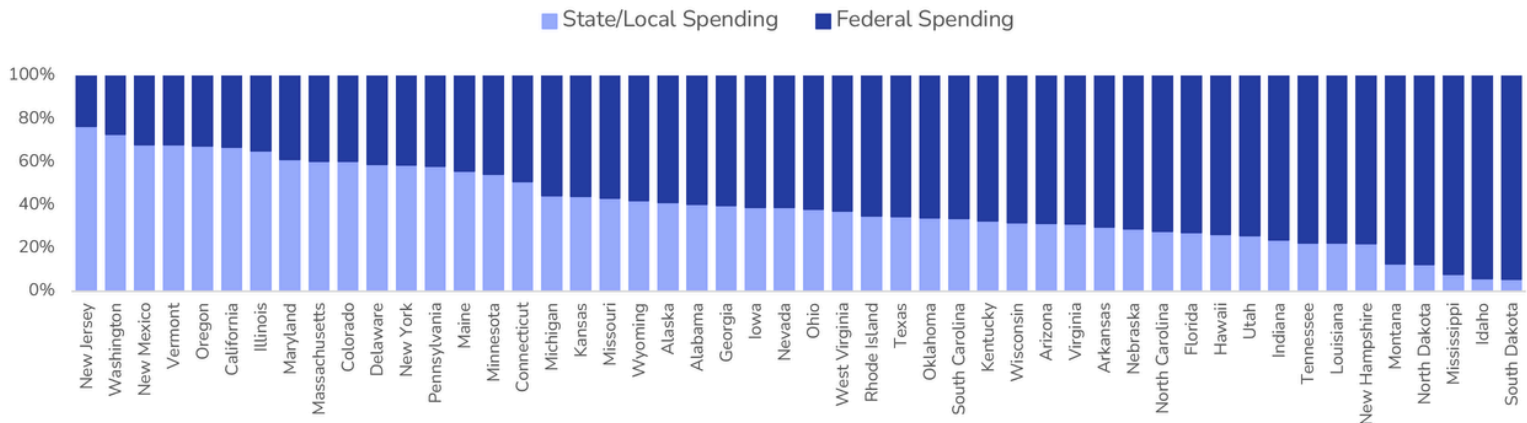
However, states are not uniform in their approach, and the current moment presents unique challenges. Traditionally, states have taken more fiscal responsibility for funding preschool through state pre-k systems (often administered through the local K-12 system). This is a critical investment in early education, but it needs to be supplemented by child care funding to meet the needs of children of working families, who need care beyond the confines of a traditional school day. States also need to invest in meeting child care needs for families with infants and toddlers, and the cost of this care is out of reach for most families. To stabilize the entire early childhood system, states will need to continue thinking innovatively about how to fund the whole system equitably and effectively. Our Shortchanged Project adds to the field's understanding of how states are relying on federal funding and in what ways they are making their own investments, and documents how this balance has shifted over time.

What We Found

Federal and state governments share responsibility for funding early care and education, but the balance varies widely across states:

While every state draws down federal funding for its early care and education system, states vary widely in how much they contribute from their own state funds. The chart below shows ECE per capita spending by funding source across states in 2024. In states such as New Jersey, Washington, and New Mexico, state and local sources account for 68-76% of total ECE spending, reflecting significant state investments on top of federal funds. In states like Mississippi, Idaho, and South Dakota, however, state and local dollars account for less than 10% of total ECE investment, leaving those systems highly dependent on federal funding.

ECE Per Capita Spending by Source, 2024

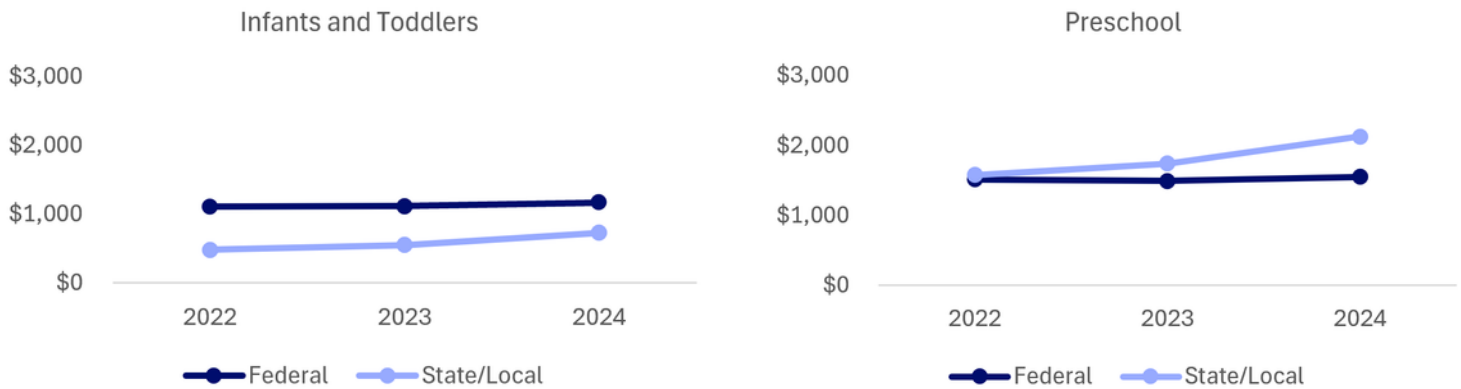


Compared with 2023, the state and local share of ECE spending rose in most states, driven by growth in state investment rather than reductions in federal funding ([see our last report for 2023 data](#)). Colorado saw the largest increase, with its state and local share rising from 39% to 61% of total ECE spending as the Colorado Preschool Program transitioned to Universal Preschool, and state preschool spending rose from \$77 million in 2023 to \$301 million in 2024. Maryland and Minnesota followed (about 14 percentage points each), then New Mexico and Delaware (about 13 points each), and Washington and Maine (about 11 points each). Arkansas was the only state whose state and local share declined by more than 5 percentage points.

The balance of funding between state and federal levels has shifted over time:

Our analysis indicates that even over the short period of time for which we have data, many states have been taking meaningful steps to increase their share of spending and responsibility of the state early childhood system relative to federal funding. In 2024, we found that **16 states provided 50% or more of their ECE funding from state funding sources – up from 11 states in 2023 and just 9 states in 2022**. Between 2022 and 2024, while federal investments per capita remained relatively stable, state investments increased – particularly for preschool-aged children. Nationally, per capita state funding for infants and toddlers also increased, but at a slower rate. Given recent state appropriations for preschool and child care, it seems likely that expenditure data from 2025 and 2026 (when it is eventually released) will show that this upward trend has continued. Early evidence supports this expectation: a report from Child Care Aware of America (2026) found that most states with data for both years increased their total per child appropriations for child care and preschool between 2025 and 2026, with average spending rising

appropriations for child care and preschool between 2025 and 2026, with average spending rising from roughly \$1400 to \$1700 per child for birth to age 5.²



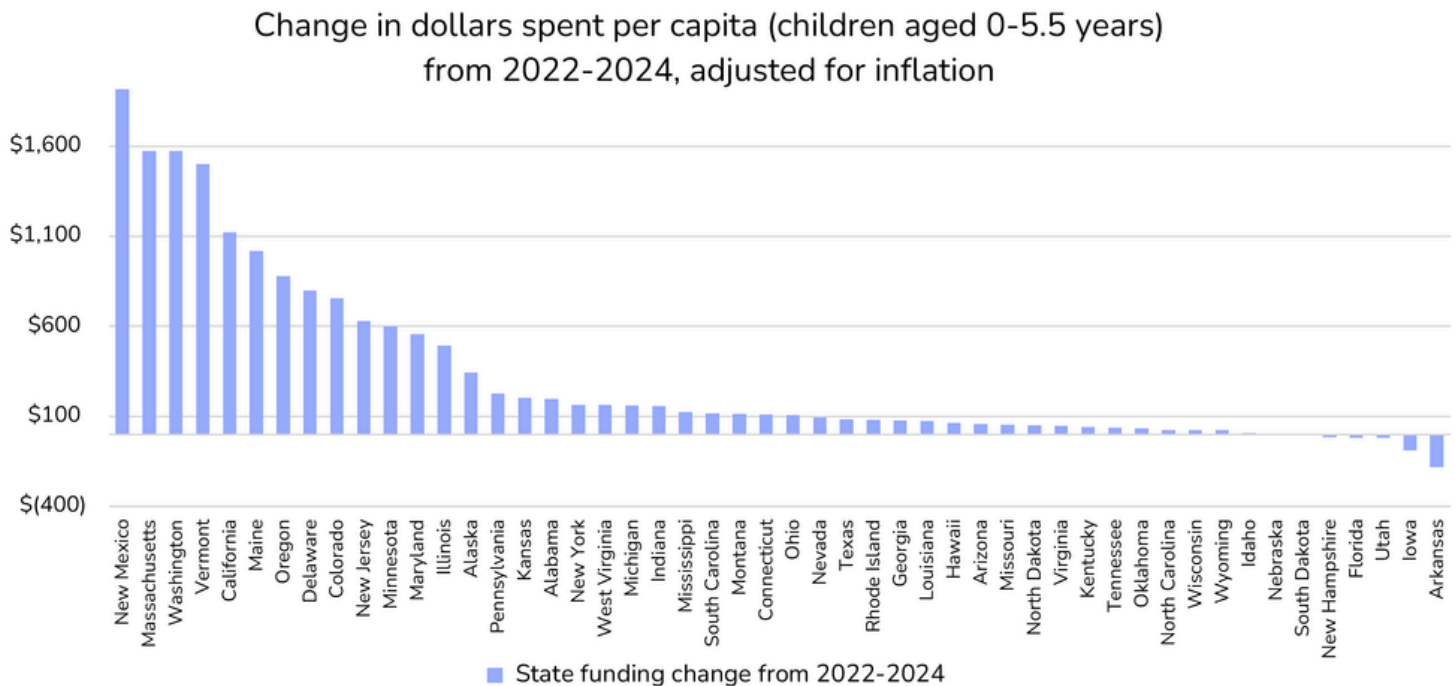
It is important to note that these increases in state funding are not evenly distributed across all states. From 2022-2024, after adjusting for inflation, some states increased their spending by more than \$1000 per child, while others have seen funding per child aged 0-5.5 remain stagnant or even decrease.

Spotlight on State Strategies

States have taken many different paths in recent years towards building fairer and more effective ECE systems. For some, these gains reflect the lasting impact of COVID-19 investments, with many states capitalizing on opportunities to sustain investments made during the pandemic by increasing state investments as federal funding ended. For example in Massachusetts, the Commonwealth Cares for Children (C3) Grants, formerly funded with federal COVID relief dollars, were level funded in 2024 at more than \$475M in state investment. Other states have built political momentum around universal preschool: The Colorado Preschool Program transitioned to Universal Preschool, and state preschool spending rose from \$77 million in 2023 to \$301 million in 2024. Some recent policy wins, such as Connecticut's Early Childhood Education Endowment, will be reflected in future data analyses when 2025 data is released. Connecticut's endowment is funded by state surpluses since 2025 and holds more than \$700M, with at least 35% of new slots reserved for infants and toddlers.

² Child Care Aware of America. (2026). An uneven start 2026: Where child care funding falls short—and why it matters. <https://info.childcareaware.org/hubfs/Uneven-Start-Where-Child-Care-Funding-Falls-Short-2026.pdf>

The following chart shows the change in dollars spent per capita (children aged 0-5.5 years) from 2022 to 2024.³

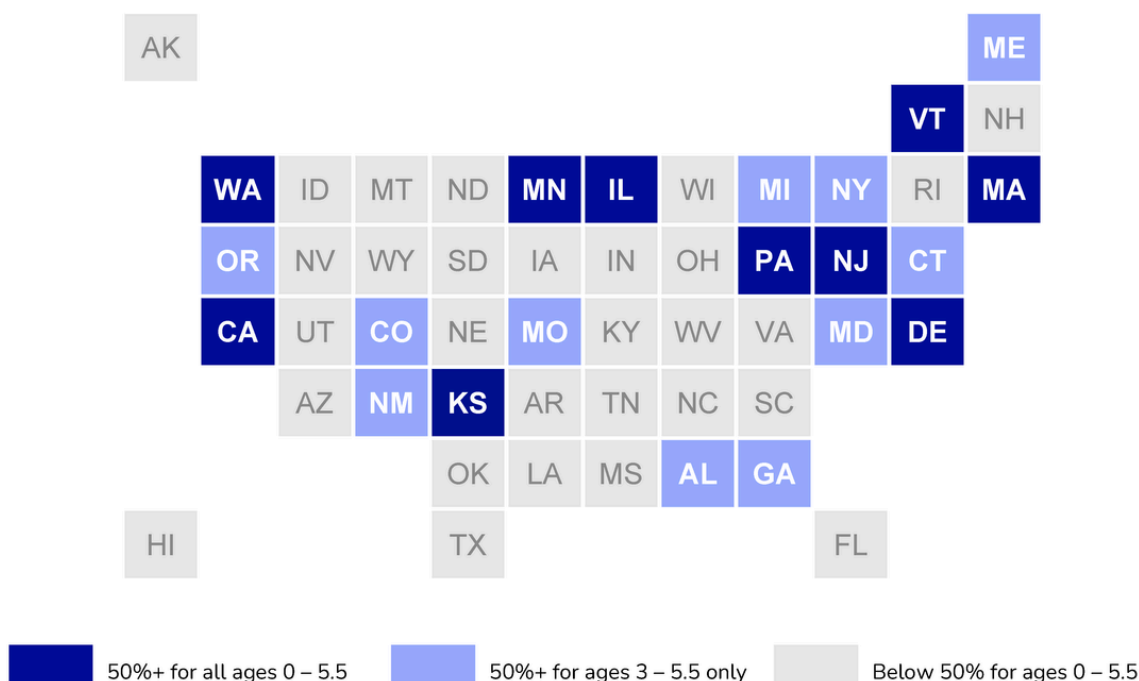


States make different choices about how to allocate their early care and education dollars, and do not invest in all age groups similarly:

Among the states investing significant state funds in early care and education, approaches differ in terms of which programs receive funding and which children they serve. The map below shows the states where state and local funds account for 50% or more of total spending on each age group. Fewer states reach that level for infants and toddlers than for preschool-age children: 10 states for ages 0–3, compared with 21 for ages 3–5.5. Every state that contributes 50% of total spending from state funds for ages 0–3 also does so for ages 3–5.5 (see Appendix A, Table 2 for each state’s individual breakdown).

³ U.S. Bureau of Labor Statistics. (n.d.). CPI inflation calculator. Retrieved September 25, 2026, from https://www.bls.gov/data/inflation_calculator.htm. Inflation calculated for difference in buying power for \$1000 from June 2022 to June 2024.

States with Over 50% State/Local Spending by Age Group, 2024



Fewer states reach the 50% threshold for infants and toddlers because **state investment tends to be concentrated in preschool**. State preschool is the largest state spending category in 30 of 50 states, while many states invest less of their own funds in programs that also serve infants and toddlers, such as child care and home visiting. As a result, infant and toddler care relies more heavily on federal funding, leaving it more exposed to changes in federal policy. The lack of state investment leads to lower overall spending on infants and toddlers than on preschoolers. This gap is especially consequential because infant and toddler care is the most costly to provide and often the hardest for families to find.

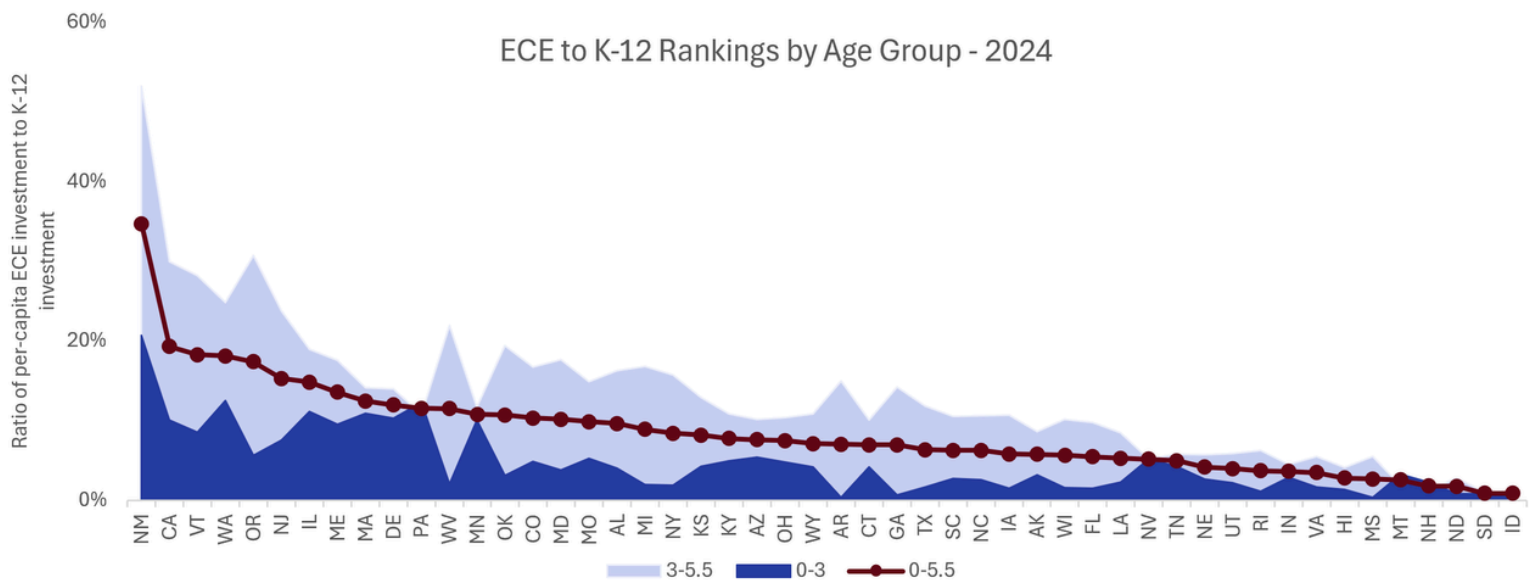
States' priorities are reflected in the new state rankings:

State and local ECE investment rankings shifted meaningfully from 2023 to 2024 (see Appendix A, Table 3 for the 2024 rankings and Table 4 for changes in rankings from 2023 to 2024). Eight states moved up in all three categories: infants and toddlers, preschool, and overall ECE-to-K-12 spending. Maryland and Minnesota had the largest gains. Maryland rose 11 to 12 places in each category, driven by increased investment in their Child Care Assistance Grants and state preschool expansion under the Blueprint for Maryland's Future. Minnesota rose 4 places for infants and toddlers, 13 for preschool, and 18 overall, driven by increased state funding for child care. New Mexico continues to lead the field, ranking first in all spending categories.

Outside of this group, **Colorado saw the largest movement of any state, jumping 28 places in our preschool rankings (from 41st to 13th) and 22 places overall (from 37th to 15th)**, reflecting its significant increase in state preschool investment in 2024. By contrast, Colorado dropped two places in its infant and toddler ranking, showing that where states choose to invest can disproportionately affect different age groups.

Conversely, several states fell in the rankings. Nebraska and Arkansas saw the sharpest declines, falling in all three categories after reducing spending on both child care and preschool. Nebraska fell 8 places for infants and toddlers, 5 for preschool, and 4 overall. Arkansas fell 3 places for infants and toddlers, 9 for preschool, and 16 overall. Florida rose slightly for infants and toddlers but fell 16 places in preschool and 9 overall, driven by reduced spending on its Voluntary Prekindergarten Program.

The graph below shows each state's 2024 ranking for children birth through kindergarten entry, in descending order, and illustrates the significant variation in state and local expenditures across age groups as a percent of K-12 expenditures. The red dotted line shows each state's ratio of per capita birth-to-kindergarten-entry investment to K-12 investment.



What It Means

In 2024, states shouldered more of the cost of early care and education than in prior years. However, this growth was not evenly distributed across program type or age group, and our nation's youngest learners continue to be shortchanged across the board. State preschool is the largest state spending category in 30 out of 50 states: most of this year's largest gains, including Colorado's transition to Universal Preschool and Maryland's across the board rise in the rankings, come from new preschool dollars. Infants and toddlers, by contrast, receive the smallest state and local share of any age group in most states, leaving their care and education the most dependent on federal funding streams such as CCDF and Early Head Start. As policymakers weigh how much responsibility should remain with the federal government, and states weigh how much more to take on, this report aims to capture the true picture of public investment in early care and education across all 50 states.

What's Next

CELFE will continue to track changes and improvements in public ECE investments over time – updating our reports and analysis as information becomes available. It is imperative that states continue to think about the shared responsibility of ECE financing and what it means for their own unique funding mechanisms that support early care and education. In addition to ongoing analysis of newly available data, CELFE intends to examine currently available data to better understand the innovative funding strategies that states are employing, to inform the field and advance more fair and effective funding for young children and their families. In future reports, we intend to elevate these creative strategies to showcase the future of 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

The Center for Early Learning Funding Equity would like to thank the Heising-Simons Foundation and Saul Zaentz Foundation for their generous support and partnership in bringing the Shortchanged Project to life. Thank you to the members of our expert advisory committee, who offered methodological and use-case recommendations.⁴

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⁴ 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, 2024

State	Per capita spending, 2024			Spent for every \$1 spent on K - 12		
	0 - 3	3 - K-entry	K - 12	0 - 3	3 - K-entry	0 - K-entry
Alabama	\$1,627	\$3,120	\$11,685	\$0.14	\$0.27	\$0.20
Alaska	\$1,689	\$2,961	\$20,873	\$0.08	\$0.14	\$0.11
Arizona	\$1,375	\$2,197	\$9,006	\$0.15	\$0.24	\$0.19
Arkansas	\$1,743	\$3,181	\$11,985	\$0.15	\$0.27	\$0.20
California	\$2,868	\$6,276	\$17,539	\$0.16	\$0.36	\$0.25
Colorado	\$1,382	\$3,284	\$14,479	\$0.10	\$0.23	\$0.16
Connecticut	\$2,213	\$3,655	\$23,051	\$0.10	\$0.16	\$0.13
Delaware	\$2,933	\$3,784	\$17,580	\$0.17	\$0.22	\$0.19
Florida	\$1,294	\$2,330	\$10,661	\$0.12	\$0.22	\$0.17
Georgia	\$1,132	\$3,205	\$13,801	\$0.08	\$0.23	\$0.15
Hawaii	\$1,132	\$2,095	\$18,933	\$0.07	\$0.11	\$0.09
Idaho	\$945	\$1,269	\$8,883	\$0.11	\$0.14	\$0.12
Illinois	\$3,291	\$4,855	\$19,823	\$0.17	\$0.24	\$0.20
Indiana	\$1,249	\$1,831	\$11,418	\$0.11	\$0.16	\$0.13
Iowa	\$1,012	\$2,676	\$13,375	\$0.08	\$0.20	\$0.13
Kansas	\$1,562	\$3,234	\$14,307	\$0.11	\$0.23	\$0.16
Kentucky	\$1,901	\$3,048	\$12,568	\$0.15	\$0.24	\$0.19
Louisiana	\$1,843	\$2,813	\$12,259	\$0.15	\$0.23	\$0.19
Maine	\$3,307	\$4,871	\$18,481	\$0.18	\$0.26	\$0.22
Maryland	\$1,459	\$3,979	\$17,429	\$0.08	\$0.23	\$0.15
Massachusetts	\$3,644	\$4,955	\$22,747	\$0.16	\$0.22	\$0.19
Michigan	\$1,364	\$3,817	\$13,865	\$0.10	\$0.28	\$0.18
Minnesota	\$2,240	\$2,916	\$14,064	\$0.16	\$0.21	\$0.18
Mississippi	\$1,679	\$3,827	\$10,354	\$0.16	\$0.37	\$0.25
Missouri	\$1,754	\$3,165	\$12,102	\$0.14	\$0.26	\$0.20
Montana	\$1,778	\$2,077	\$11,849	\$0.15	\$0.18	\$0.16
Nebraska	\$1,696	\$2,040	\$14,698	\$0.12	\$0.14	\$0.13
Nevada	\$1,393	\$1,291	\$11,920	\$0.12	\$0.11	\$0.11
New Hampshire	\$1,318	\$1,468	\$19,113	\$0.07	\$0.08	\$0.07
New Jersey	\$2,748	\$6,595	\$24,496	\$0.11	\$0.27	\$0.19

**Table 1: State by State Dollars to Cents: Including federal AND state/local funding, 2024
(Continued)**

State	Per capital spending, 2024			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	\$4,050	\$8,216	\$14,537	\$0.28	\$0.57	\$0.41
New York	\$1,648	\$5,673	\$27,077	\$0.06	\$0.21	\$0.21
North Carolina	\$1,409	\$2,468	\$10,367	\$0.14	\$0.24	\$0.18
North Dakota	\$1,433	\$2,163	\$15,038	\$0.10	\$0.14	\$0.12
Ohio	\$1,849	\$3,039	\$14,116	\$0.13	\$0.22	\$0.17
Oklahoma	\$2,134	\$3,680	\$10,698	\$0.20	\$0.34	\$0.27
Oregon	\$1,824	\$5,956	\$16,393	\$0.11	\$0.36	\$0.23
Pennsylvania	\$3,018	\$3,293	\$17,744	\$0.17	\$0.19	\$0.18
Rhode Island	\$1,904	\$3,072	\$18,615	\$0.10	\$0.17	\$0.13
South Carolina	\$1,441	\$2,763	\$12,763	\$0.11	\$0.22	\$0.16
South Dakota	\$1,019	\$1,742	\$11,266	\$0.09	\$0.15	\$0.12
Tennessee	\$1,794	\$2,270	\$10,952	\$0.16	\$0.21	\$0.18
Texas	\$1,204	\$2,470	\$11,398	\$0.11	\$0.22	\$0.16
Utah	\$1,027	\$1,747	\$9,797	\$0.10	\$0.18	\$0.14
Vermont	\$4,199	\$9,105	\$27,350	\$0.15	\$0.33	\$0.24
Virginia	\$1,154	\$1,900	\$15,187	\$0.08	\$0.13	\$0.10
Washington	\$2,808	\$4,999	\$16,377	\$0.17	\$0.31	\$0.23
West Virginia	\$1,743	\$5,157	\$14,133	\$0.12	\$0.36	\$0.24
Wisconsin	\$1,489	\$2,815	\$13,955	\$0.11	\$0.20	\$0.15
Wyoming	\$1,956	\$3,811	\$19,601	\$0.10	\$0.19	\$0.14
US	\$1,893	\$3,671	\$15,144	\$0.13	\$0.24	\$0.18

Table 2: Percent per capita spending by age group and funding source, FY 2024

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	76%	24%	49%	51%	17%	83%
Alaska	69%	31%	52%	48%	21%	79%
Arizona	71%	29%	66%	34%	19%	81%
Arkansas	98%	2%	52%	48%	15%	85%
California	46%	54%	26%	74%	12%	88%
Colorado	53%	47%	33%	67%	9%	91%
Connecticut	60%	40%	42%	58%	8%	92%
Delaware	45%	55%	42%	58%	11%	89%
Florida	90%	10%	63%	37%	16%	84%
Georgia	93%	7%	47%	53%	13%	87%
Hawaii	83%	17%	68%	32%	13%	87%
Idaho	92%	8%	95%	5%	12%	88%
Illinois	40%	60%	31%	69%	10%	90%
Indiana	77%	23%	75%	25%	12%	88%
Iowa	82%	18%	52%	48%	10%	90%
Kansas	66%	34%	50%	50%	12%	88%
Kentucky	73%	27%	63%	37%	18%	82%
Louisiana	88%	12%	70%	30%	20%	80%
Maine	52%	48%	39%	61%	9%	91%
Maryland	59%	41%	30%	70%	10%	90%
Massachusetts	38%	62%	41%	59%	9%	91%
Michigan	82%	18%	46%	54%	11%	89%
Minnesota	42%	58%	49%	51%	9%	91%
Mississippi	98%	2%	89%	11%	24%	76%
Missouri	68%	32%	50%	50%	12%	88%
Montana	82%	18%	92%	8%	18%	82%
Nebraska	80%	20%	63%	37%	11%	89%
Nevada	62%	38%	59%	41%	14%	86%
New Hampshire	70%	30%	85%	15%	8%	92%
New Jersey	37%	63%	17%	83%	6%	94%

**Table 2: Percent per capita spending by age group and funding source, FY 2024
(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	41%	59%	26%	74%	20%	80%
New York	71%	29%	32%	68%	9%	91%
North Carolina	84%	16%	64%	36%	18%	82%
North Dakota	93%	7%	83%	17%	16%	84%
Ohio	68%	32%	58%	42%	15%	85%
Oklahoma	87%	13%	52%	48%	15%	85%
Oregon	55%	45%	25%	75%	11%	91%
Pennsylvania	35%	65%	48%	52%	10%	90%
Rhode Island	91%	9%	67%	33%	13%	87%
South Carolina	79%	21%	58%	42%	13%	87%
South Dakota	93%	7%	95%	5%	20%	80%
Tennessee	78%	22%	77%	23%	16%	84%
Texas	87%	13%	53%	47%	14%	86%
Utah	81%	19%	69%	31%	9%	91%
Vermont	50%	50%	24%	76%	10%	90%
Virginia	80%	20%	61%	39%	10%	90%
Washington	33%	67%	26%	74%	9%	91%
West Virginia	87%	13%	52%	48%	19%	81%
Wisconsin	87%	13%	56%	44%	12%	88%
Wyoming	65%	35%	53%	47%	16%	84%

Table 3: State Rankings: Ratio of State ECE spending per capita compared to only State/Local K-12 spending per capita, FY 2024

Rank	0 - 3	Ratio	Rank	3 - K-Entry	Ratio	Rank	0 - K-Entry	Ratio
1	New Mexico	21%	1	New Mexico	52%	1	New Mexico	35%
2	Washington	13%	2	Oregon	31%	2	California	19%
3	Pennsylvania	12%	3	California	30%	3	Vermont	18%
4	Illinois	11%	4	Vermont	28%	4	Washington	18%
5	Massachusetts	11%	5	Washington	25%	5	Oregon	17%
6	Delaware	10%	6	New Jersey	24%	6	New Jersey	15%
7	California	10%	7	West Virginia	22%	7	Illinois	15%
8	Minnesota	10%	8	Oklahoma	19%	8	Maine	14%
9	Maine	9%	9	Illinois	19%	9	Massachusetts	12%
10	Vermont	9%	10	Maryland	18%	10	Delaware	12%
11	New Jersey	8%	11	Maine	18%	11	Pennsylvania	12%
12	Oregon	6%	12	Michigan	17%	12	West Virginia	11%
13	Arizona	5%	13	Colorado	17%	13	Minnesota	11%
14	Missouri	5%	14	Alabama	16%	14	Oklahoma	11%
15	Nevada	5%	15	New York	16%	15	Colorado	10%
16	Kentucky	5%	16	Arkansas	15%	16	Maryland	10%
17	Colorado	5%	17	Missouri	15%	17	Missouri	10%
18	Ohio	5%	18	Georgia	14%	18	Alabama	10%
19	Kansas	4%	19	Massachusetts	14%	19	Michigan	9%
20	Tennessee	4%	20	Delaware	14%	20	New York	8%
21	Connecticut	4%	21	Kansas	13%	21	Kansas	8%
22	Wyoming	4%	22	Texas	12%	22	Kentucky	8%
23	Alabama	4%	23	Minnesota	12%	23	Arizona	8%
24	Maryland	4%	24	Wyoming	11%	24	Ohio	8%
25	Montana	3%	25	Kentucky	11%	25	Wyoming	7%
26	Alaska	3%	26	Pennsylvania	11%	26	Arkansas	7%
27	Oklahoma	3%	27	Iowa	11%	27	Connecticut	7%
28	Indiana	3%	28	North Carolina	11%	28	Georgia	7%
29	South Carolina	3%	29	South Carolina	11%	29	Texas	6%
30	Nebraska	3%	30	Ohio	10%	30	South Carolina	6%
31	North Carolina	3%	31	Wisconsin	10%	31	North Carolina	6%
32	Lousiana	2%	32	Arizona	10%	32	Iowa	6%

Table 3: State Rankings: Ratio of State ECE spending per capita compared to only State/Local K-12 spending per capita, FY 2024 (Continued)

Rank	0 - 3	Ratio	Rank	3 - K-Entry	Ratio	Rank	0 - K-Entry	Ratio
33	New Hampshire	2%	33	Connecticut	10%	33	Alaska	6%
34	Utah	2%	34	Florida	10%	34	Wisconsin	6%
35	West Virginia	2%	35	Alaska	9%	35	Florida	5%
36	Michigan	2%	36	Louisiana	8%	36	Louisiana	5%
37	New York	2%	37	Rhode Island	6%	37	Nevada	5%
38	Virginia	2%	38	Utah	6%	38	Tennessee	5%
39	Texas	2%	39	Tennessee	6%	39	Nebraska	4%
40	Wisconsin	2%	40	Nebraska	6%	40	Utah	4%
41	Florida	2%	41	Mississippi	6%	41	Rhode Island	4%
42	Iowa	1%	42	Virginia	5%	42	Indiana	4%
43	Hawaii	1%	43	Nevada	5%	43	Virginia	3%
44	Rhode Island	1%	44	Indiana	4%	44	Hawaii	3%
45	Idaho	1%	45	Hawaii	4%	45	Mississippi	3%
46	North Dakota	1%	46	North Dakota	3%	46	Montana	3%
47	South Dakota	1%	47	Montana	2%	47	New Hampshire	2%
48	Georgia	1%	48	New Hampshire	1%	48	North Dakota	2%
49	Mississippi	0%	49	South Dakota	1%	49	South Dakota	1%
50	Arkansas	0%	50	Idaho	1%	50	Idaho	1%

Table 4: Change in Rankings, 2023 to 2024

State	2023 Rankings			2024 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	24	11	13	23	14	18	+1	-3	-5
Alaska	32	38	41	26	35	33	+6	+3	+8
Arizona	16	34	29	13	32	23	+3	+2	+6
Arkansas	47	7	10	50	16	26	-3	-9	-16
California	7	6	4	7	3	2	0	+3	+2
Colorado	15	41	37	17	13	15	-2	+28	+22
Connecticut	20	29	25	21	33	27	-1	-4	-2
Delaware	10	26	17	6	20	10	+4	+6	+7
Florida	42	18	26	41	34	35	+1	-16	-9
Georgia	49	15	24	48	18	28	+1	-3	-4
Hawaii	40	43	44	43	45	44	-3	-2	0
Idaho	44	49	49	45	50	50	-1	-1	-1
Illinois	3	9	5	4	9	7	-1	0	-2
Indiana	26	45	43	28	44	42	-2	+1	+1
Iowa	43	16	23	42	27	32	+1	-11	-9
Kansas	23	19	19	19	21	21	+4	-2	-2
Kentucky	14	28	20	16	25	22	-2	+3	-2
Louisiana	34	33	39	32	36	36	+2	-3	+3
Maine	8	17	15	9	11	8	-1	+6	+7
Maryland	35	22	28	24	10	16	+11	+12	+12
Massachusetts	4	24	14	5	19	9	-1	+5	+5
Michigan	41	14	18	36	12	19	+5	+2	-1
Minnesota	12	36	31	8	23	13	+4	+13	+18
Mississippi	50	44	47	49	41	45	+1	+3	+2
Missouri	13	13	12	14	17	17	-1	-4	-5
Montana	29	47	45	25	47	46	+4	0	-1
Nebraska	22	35	35	30	40	39	-8	-5	-4
Nevada	11	42	36	15	43	37	-4	-1	-1
New Hampshire	30	48	46	33	48	47	-3	0	-1
New Jersey	5	5	3	11	6	6	-6	-1	-3

Table 4: Change in Rankings, 2023 to 2024 (Continued)

State	2023 Rankings			2024 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	3	1	1	1	1	0	+2	0
New York	36	12	16	37	15	20	-1	-3	-4
North Carolina	31	30	32	31	28	31	0	+2	+1
North Dakota	46	46	48	46	46	48	0	0	0
Ohio	17	27	22	18	30	24	-1	-3	-2
Oklahoma	25	8	11	27	8	14	-2	0	-3
Oregon	27	2	6	12	2	5	+15	0	+1
Pennsylvania	2	20	7	3	26	11	-1	-6	-4
Rhode Island	45	31	38	44	37	41	+1	-6	-3
South Carolina	28	32	33	29	29	30	-1	+3	+3
South Dakota	48	50	50	47	49	49	+1	+1	+1
Tennessee	19	37	34	20	39	38	-1	-2	-4
Texas	39	23	30	39	22	29	0	+1	+1
Utah	21	40	40	34	38	40	-13	+2	0
Vermont	9	1	2	10	4	3	-1	-3	-1
Virginia	37	39	42	38	42	43	-1	-3	-1
Washington	6	10	9	2	5	4	+4	+5	+5
West Virginia	33	4	8	35	7	12	-2	-3	-4
Wisconsin	38	21	27	40	31	34	-2	-10	-7
Wyoming	18	25	21	22	24	25	-4	+1	-4

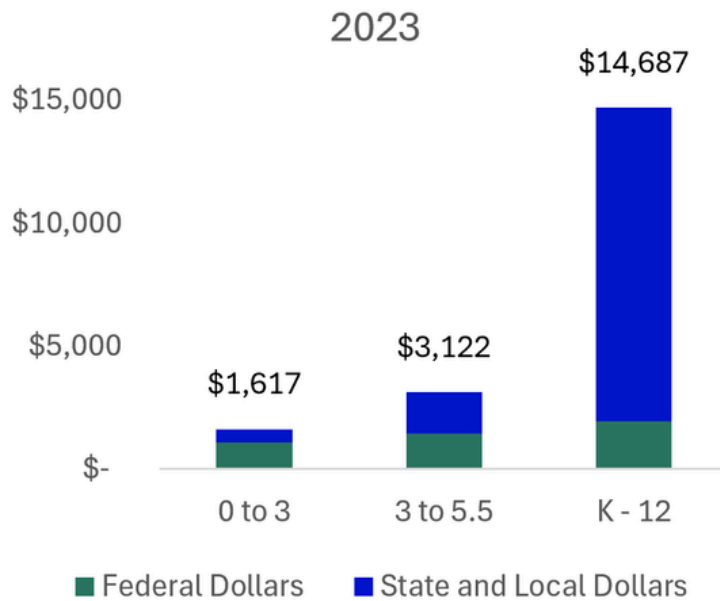
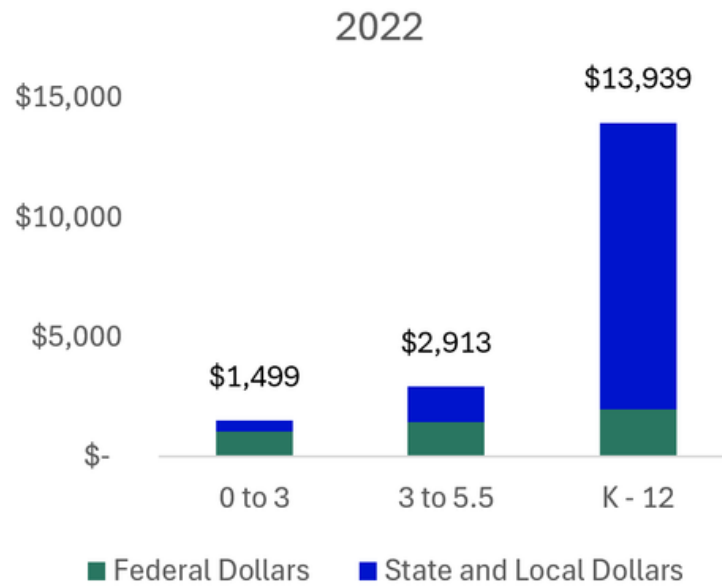
Table 5: State Spending Not Captured in National Reporting, 2024

State / Territory	Nationally Reported ECE Spending	Nationally Reported Federal + State Actual ECE Spending	Difference	Percent Difference
Alabama	\$628,788,906	\$727,375,884	\$98,586,978	16%
Alaska	\$80,491,857	\$110,690,378	\$30,198,521	38%
Arizona	\$596,437,009	\$765,160,911	\$168,723,902	28%
Arkansas	\$453,867,695	\$470,765,615	\$16,897,920	4%
California	\$8,007,715,887	\$10,195,314,922	\$2,187,599,034	27%
Colorado	\$643,198,995	\$758,412,949	\$115,213,954	18%
Connecticut	\$459,642,120	\$574,458,457	\$114,816,338	25%
Delaware	\$139,272,802	\$208,001,688	\$68,728,886	49%
Florida	\$2,248,774,786	\$2,248,845,786	\$71,000	0%
Georgia	\$1,362,140,394	\$1,411,057,270	\$48,916,876	4%
Hawaii	\$131,136,036	\$147,904,928	\$16,768,893	13%
Idaho	\$132,141,796	\$134,603,955	\$2,462,159	2%
Illinois	\$2,111,241,163	\$2,925,762,362	\$814,521,199	39%
Indiana	\$637,747,305	\$681,335,339	\$43,588,034	7%
Iowa	\$340,952,858	\$366,853,033	\$25,900,175	8%
Kansas	\$372,265,580	\$432,837,678	\$60,572,098	16%
Kentucky	\$644,416,539	\$712,631,370	\$68,214,831	11%
Louisiana	\$668,771,412	\$689,892,282	\$21,120,870	3%
Maine	\$162,200,638	\$263,065,224	\$100,864,586	62%
Maryland	\$798,939,690	\$1,011,020,119	\$212,080,430	27%
Massachusetts	\$832,749,399	\$1,624,514,446	\$791,765,047	95%
Michigan	\$1,392,319,668	\$1,444,588,579	\$52,268,911	4%
Minnesota	\$523,503,860	\$894,056,417	\$370,552,556	71%
Mississippi	\$472,257,388	\$472,257,388	\$0	0%
Missouri	\$606,389,266	\$915,243,113	\$308,853,847	51%
Montana	\$103,443,251	\$113,236,901	\$9,793,650	9%
Nebraska	\$219,232,357	\$245,825,973	\$26,593,616	12%
Nevada	\$207,663,435	\$248,659,674	\$40,996,239	20%
New Hampshire	\$85,750,483	\$94,020,920	\$8,270,437	10%
New Jersey	\$2,116,873,630	\$2,636,971,493	\$520,097,863	25%

Table 5: State Spending Not Captured in National Reporting, 2024 (Continued)

State / Territory	Nationally Reported ECE Spending	Nationally Reported Federal + State Actual ECE Spending	Difference	Percent Difference
New Mexico	\$428,935,540	\$662,417,603	\$233,482,063	54%
New York	\$2,894,338,001	\$4,043,650,869	\$1,149,312,868	40%
North Carolina	\$1,193,131,294	\$1,266,596,317	\$73,465,023	6%
North Dakota	\$84,647,728	\$84,647,728	\$0	0%
Ohio	\$1,389,465,019	\$1,773,894,683	\$384,429,664	28%
Oklahoma	\$713,840,642	\$746,999,762	\$33,159,120	5%
Oregon	\$517,238,065	\$814,271,561	\$297,033,496	57%
Pennsylvania	\$1,708,022,325	\$2,294,917,924	\$586,895,599	34%
Rhode Island	\$141,511,006	\$141,394,646	-\$116,360	0%
South Carolina	\$567,893,653	\$654,339,734	\$86,446,082	15%
South Dakota	\$80,119,165	\$80,119,165	\$0	0%
Tennessee	\$833,291,404	\$909,918,156	\$76,626,752	9%
Texas	\$3,693,954,636	\$3,836,709,826	\$142,755,190	4%
Utah	\$274,412,324	\$343,661,324	\$69,249,000	25%
Vermont	\$186,243,351	\$192,784,264	\$6,540,913	4%
Virginia	\$760,151,169	\$787,664,819	\$27,513,650	4%
Washington	\$869,493,225	\$1,737,338,507	\$867,845,281	100%
West Virginia	\$311,897,195	\$320,031,255	\$8,134,060	3%
Wisconsin	\$693,965,814	\$709,129,614	\$15,163,800	2%
Wyoming	\$57,783,291	\$90,581,015	\$32,797,724	57%
Total	\$44,580,661,047	\$55,016,433,824	\$10,435,772,778	23%

Chart 1: Per Capita Spending by Age Group, 2022 and 2023



Appendix B: Methodology

CELFE analyzed 2024 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.⁵ 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.

Where available, CELFE collects and analyzes expended dollars, not appropriated dollars, at the state level.⁶ For state preschool, CELFE uses data collected by the National Institute for Early Education Research (NIEER). The CELFE team will analyze 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)

⁵ At the time of publishing, 2024 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 SSBG and 2023 data for CDCTC in our analysis.

⁶ This report uses 2024 CCDF allocations rather than expenditures; figures will be updated when 2024 expenditure data become available.

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.⁷

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%

⁷ At the time of publishing, the CCDF reports needed to construct these percentages had not yet been released for 2024. CELFE used 2023 percentages for the analyses in this report; the data on our website will be updated once the new reports are released.

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)⁸ and subtract state preschool funding calculated by the National Institute for Early Education Research.⁹

State Data Collection and Analysis

CELFE located and reviewed financial documents for each state, focusing on those containing program-level 2024 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.

⁸ 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>.

⁹ 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. National Institute for Early Education Research.