

Early Learning Shortchanged

May 28th, 2025



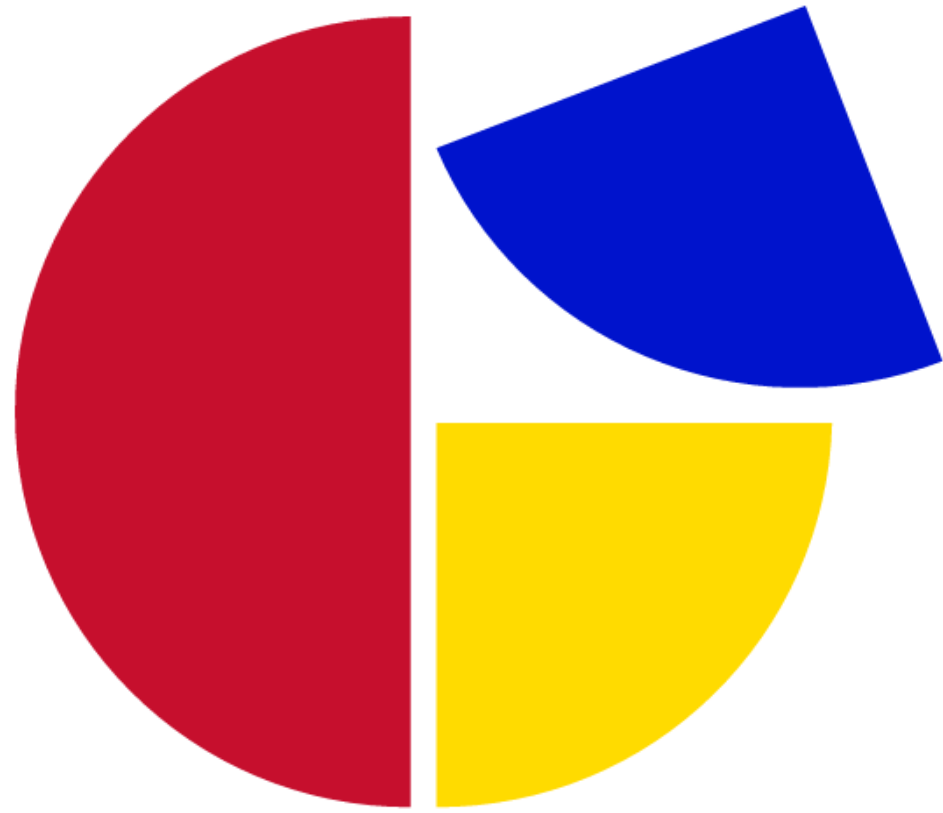
Center for Early Learning Funding Equity

The Center for Early Learning Funding Equity (CELFE) builds capacity for assessing and ensuring adequacy and equity in early learning funding systems through research and transformative partnerships. We create innovative approaches and funding mechanisms that support the diverse needs of children and families.



celfe.org



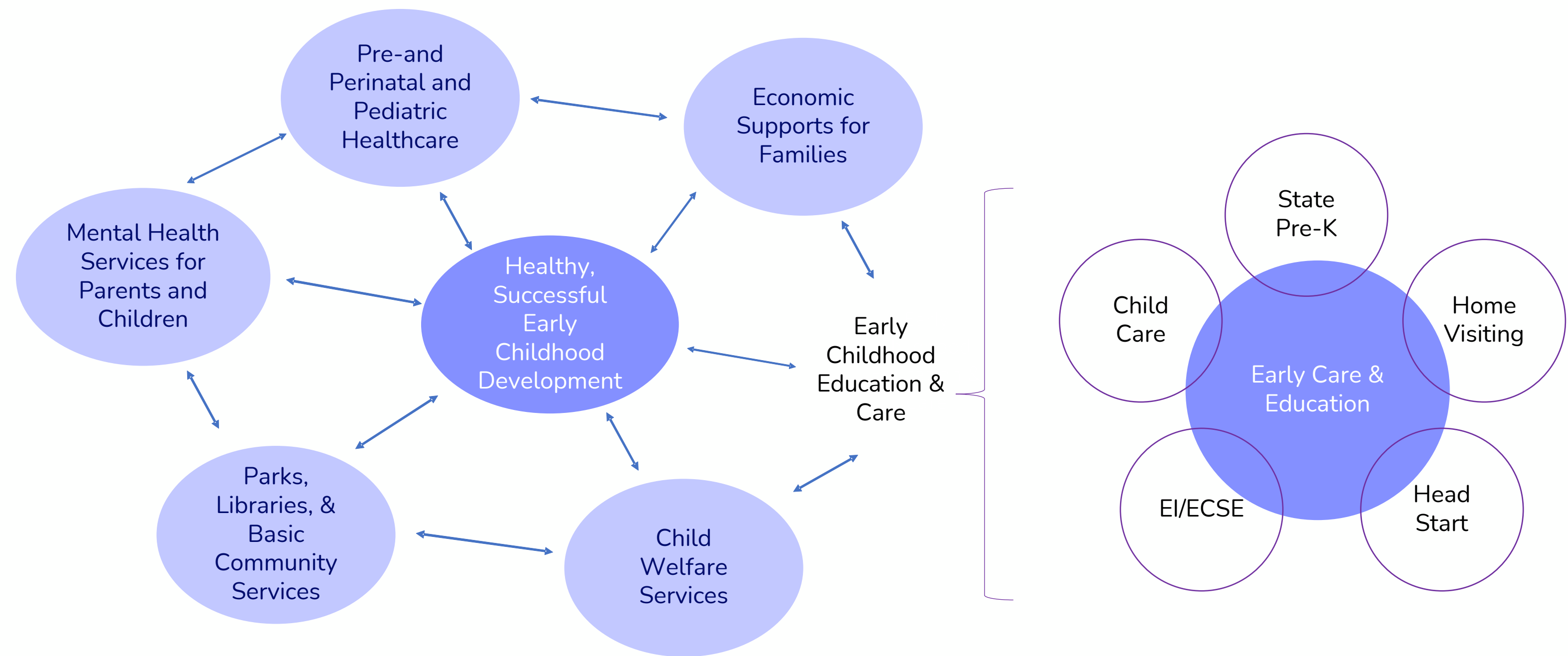


SHORTCHANGED
TRACKING PUBLIC INVESTMENT
IN EARLY LEARNING

Why do we track public investments in early care and education?

(It's really complicated! Especially at the state level)

Children and families needs a whole network of systems to thrive

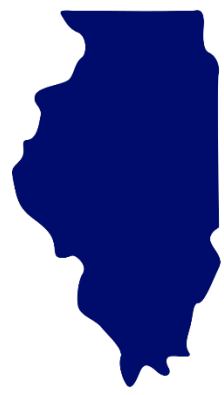


The Shortchanged Project—and CELFE—focus specifically on Early Care & Education.

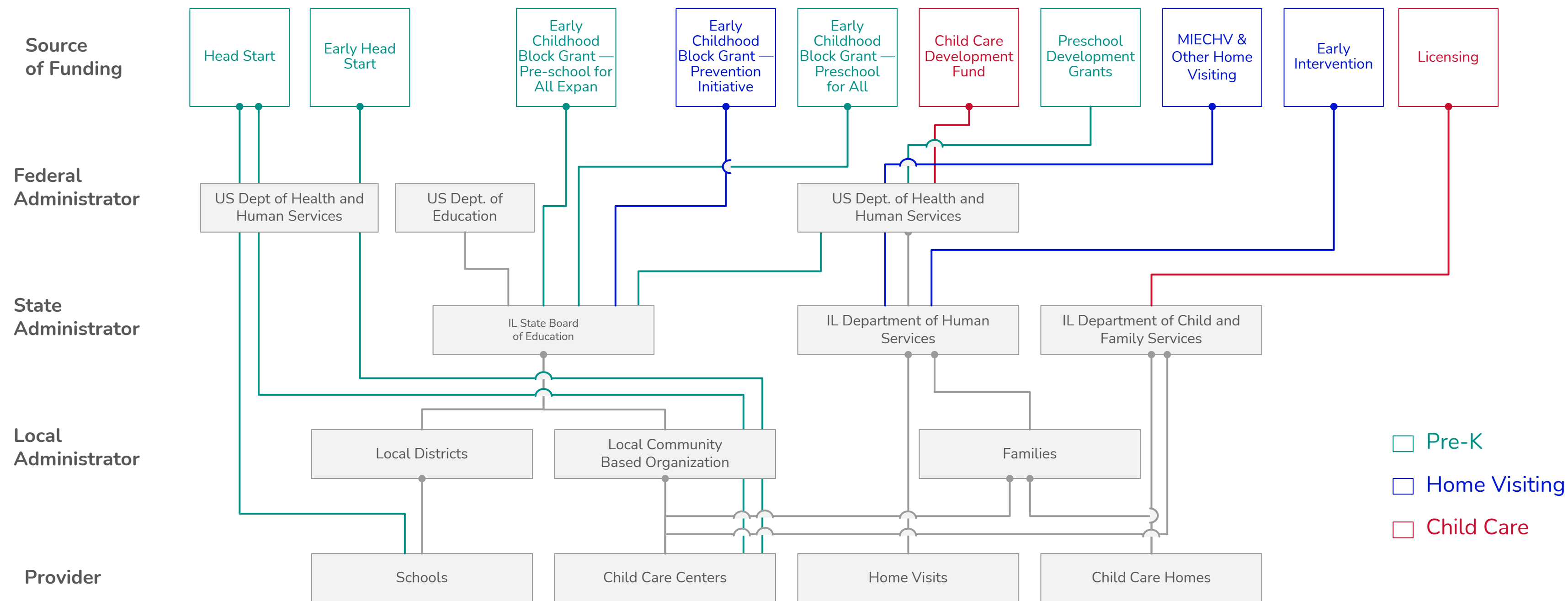
We know we need to invest more in ECE.
But we *don't* know exactly how much is currently spent.



This is because our funding systems are **fractured**, making it particularly hard to accurately track system-wide public spending.



This Illinois example shows the *many* federal, state, and local agencies that the *many* ECE funding streams must flow through to reach children.



A full accounting requires additional research.



Many states and cities spend more on ECE than is captured in many national reports.

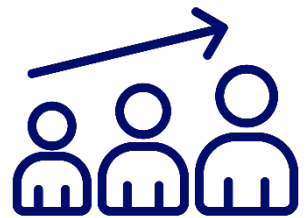
That is why we are digging deeper into state expenditures.

CELFE has analyzed Early Care and Education (ECE) per child public investments and compared them to public investments in K-12, nationally and state by state.

Our project allows:



Viewing public investments in the early care and education system as a whole



Analyzing public expenditures on education and care by age group

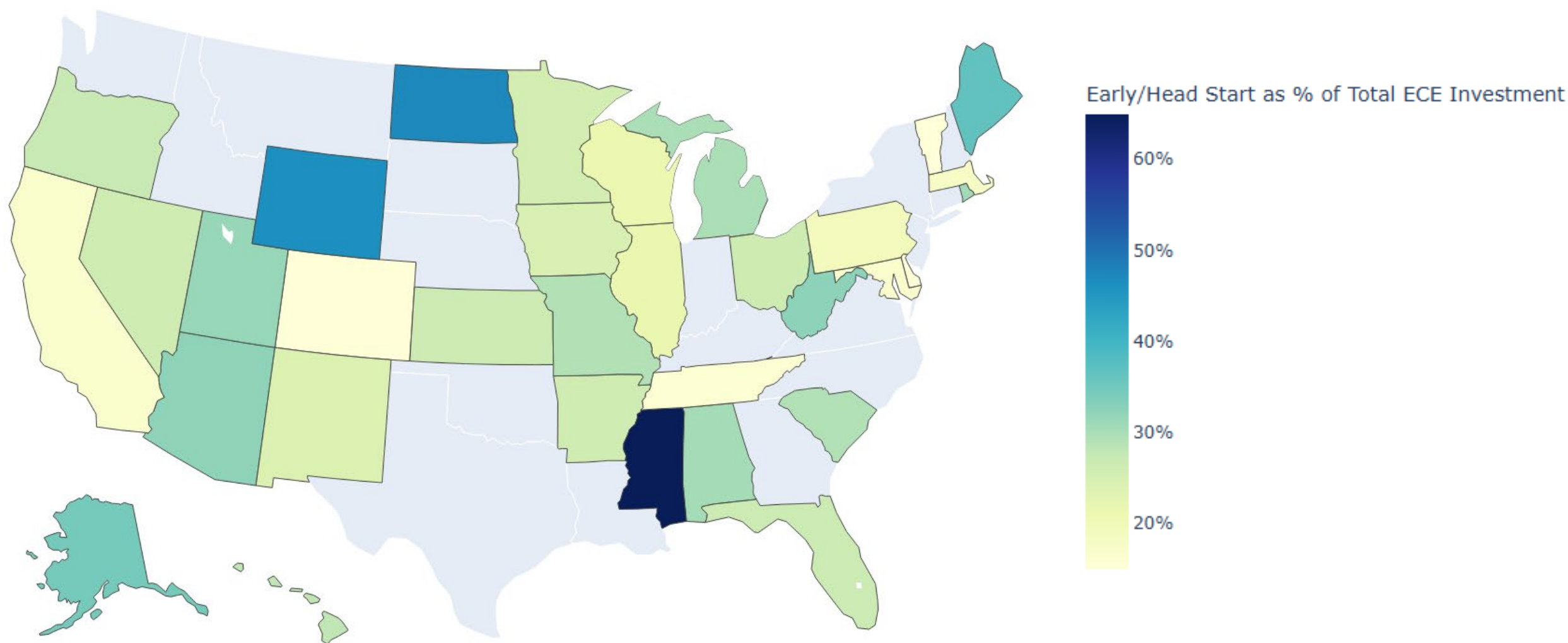


Tracking and comparing different total investments across states and funding streams



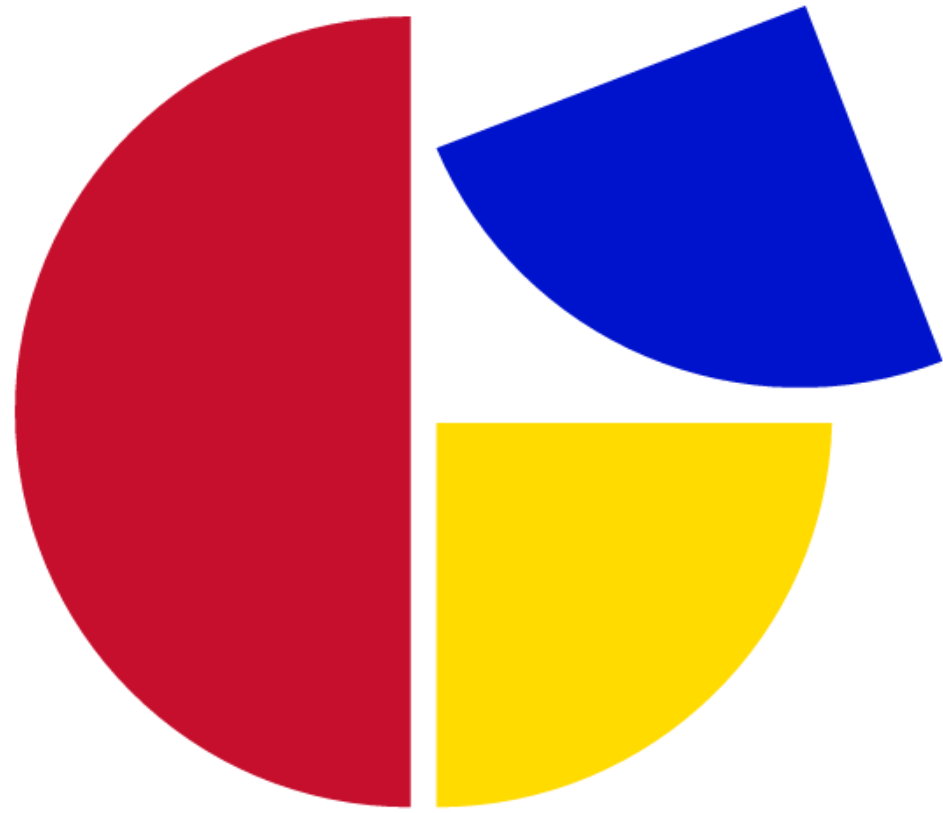
Better advocating for future investment with accurate and complete information

With this data we can also show the impact of individual federal funding streams on state's ECE systems.



This chart shows the percentage of Head Start of each state's total ECE investments.

States that invest in their own ECE systems, would be far less affected by changes in federal funding than states that do not. However, all state states are heavily reliant on federal funding.



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How do public investment in education and care differ between infants & toddlers, preschoolers, and older children?

Shortchanged calculates and reports per child funding by three age groups:

Some funding streams are age-specific, for example:

- Head Start / Early Head Start
- IDEA Part B 619 / IDEA Part C
- State Pre-K

Other funding streams serve multiple age groups and were disaggregated by the CELFE team, for example:

- CCDF (Serves children 0-13)
- MIECHV (Serves children 0-6)
- CACFP (Serves children 0-13)



0-3



3-K Entry



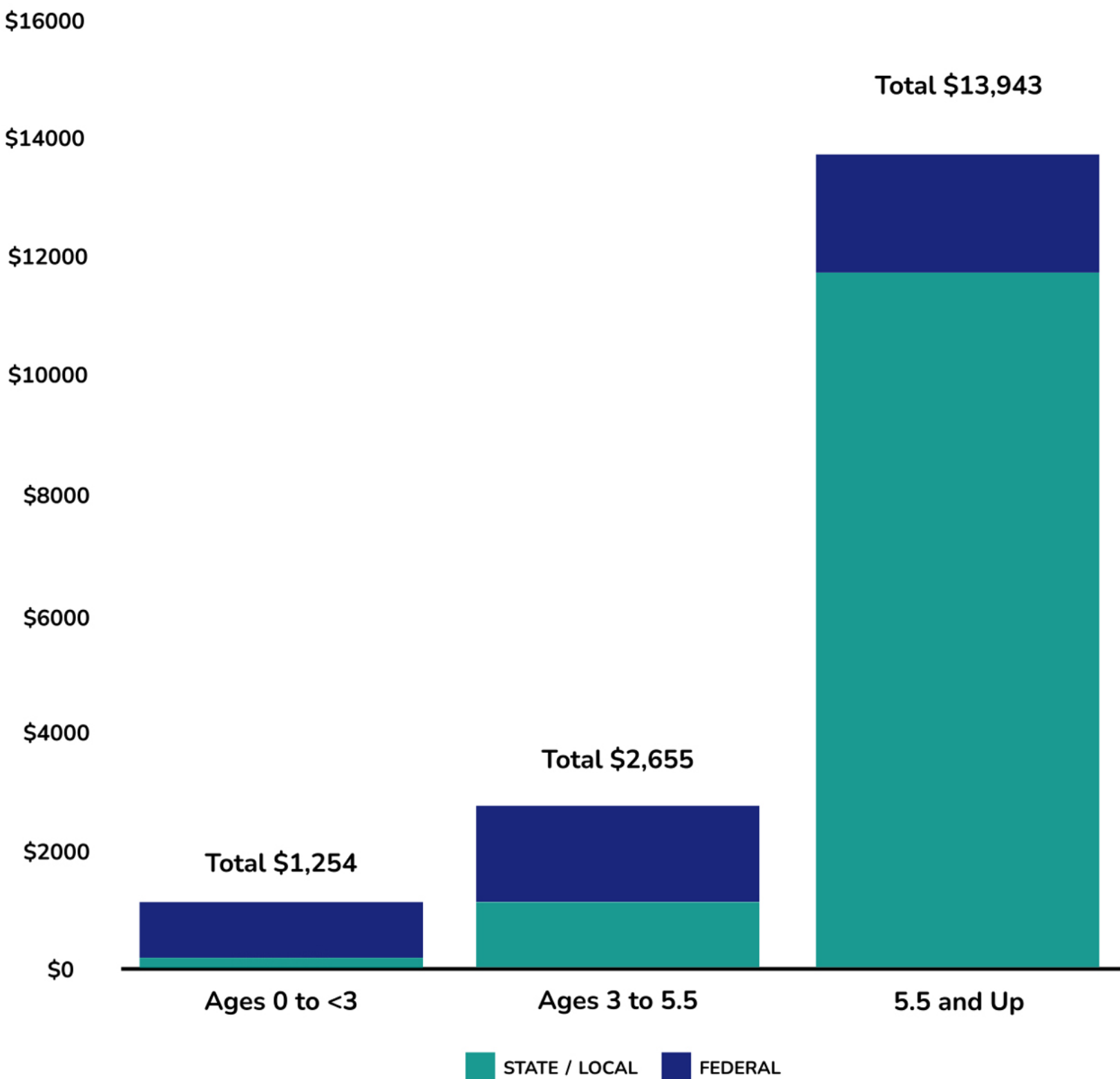
K-12

Our methods are documented in our first Shortchanged report.

We found that the US invests **86%** less in education and care for children ages 0-K-entry than for school-age children.

Per Child Public Spending by Age Group (2022)

This chart shows the total amount spent divided by the total population of children in each age group by funding source.



Federal investments are relatively consistent across age groups. But federal investments dwarf state/local investments in ECE.

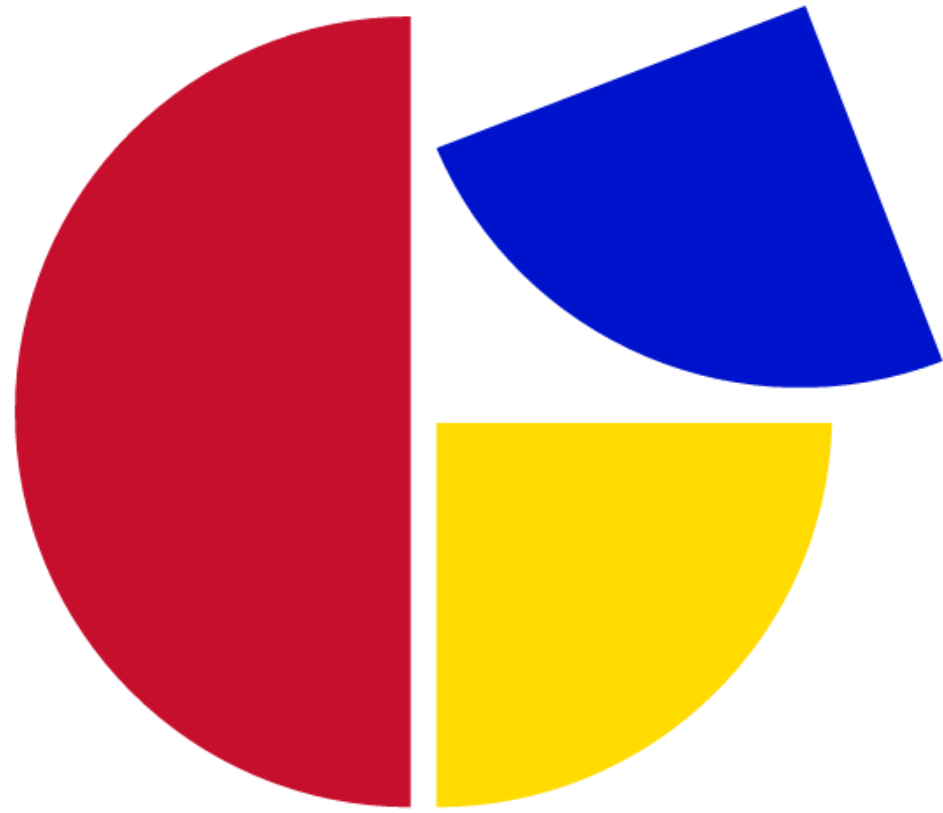
We found that federal ECE investments were slightly down from the previous year

This was primarily due to the increases in the Child and Dependent Tax Credit during 2021 that were reversed in 2022.



Federal investments were \$158 less per child in 2022 than in 2021.

Variations like these are why it is important to track these funding sources annually.



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How are individual states doing?

There are two types of funding data in our analysis

Nationally Reported Expenditures

- Federal Funding and its required matches when applicable (e.g. CCDF, Head Start, MIECHV)
- NIEER data on state preschool funding

State-Specific Expenditures

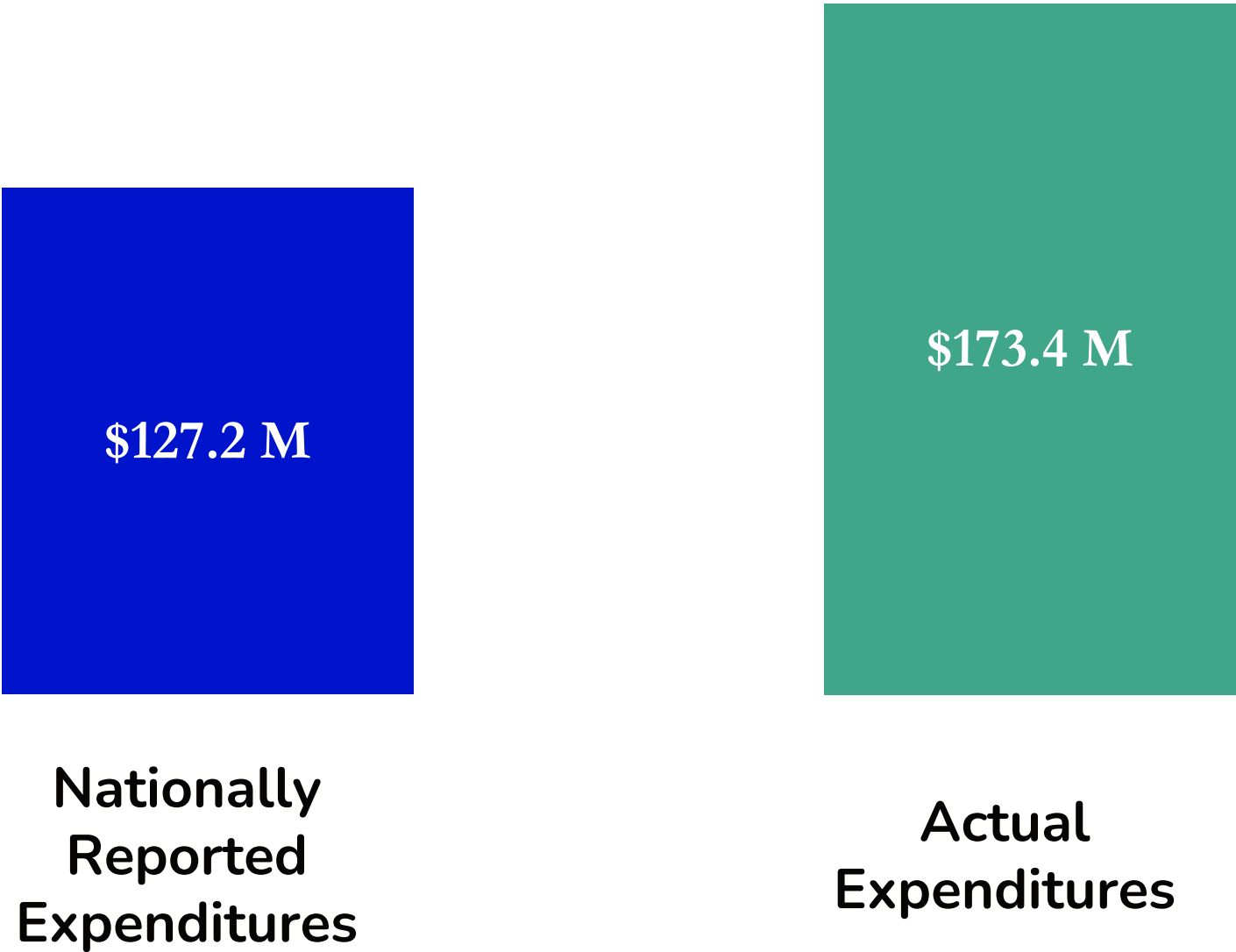
- Finding state-specific expenditures requires budget analysis and is often not easily available.
- Differences mostly show up in state investments in child care, home visiting, and early intervention.

So far, the Shortchanged Project has tracked and analyzed more than **30 states'** total ECE expenditures.

In doing so, we have captured over **\$3.7 Billion** in state-level investments not accounted for in national reporting.

CELFE is gathering state-level expenditures to understand the full investment in ages 0-5 and the differences state by state.

For example, Maine spent 36% more than was captured in national reporting in 2022.

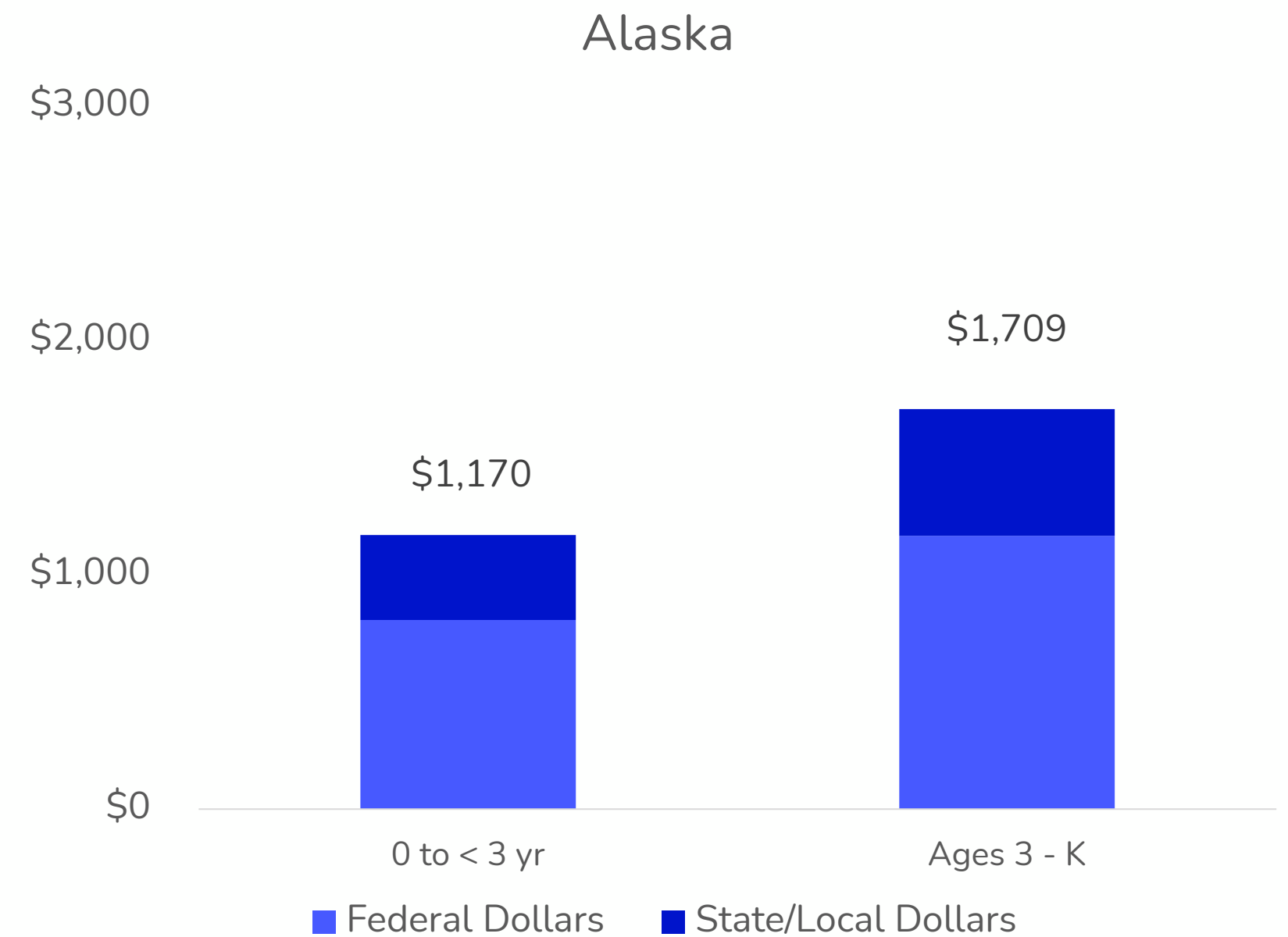
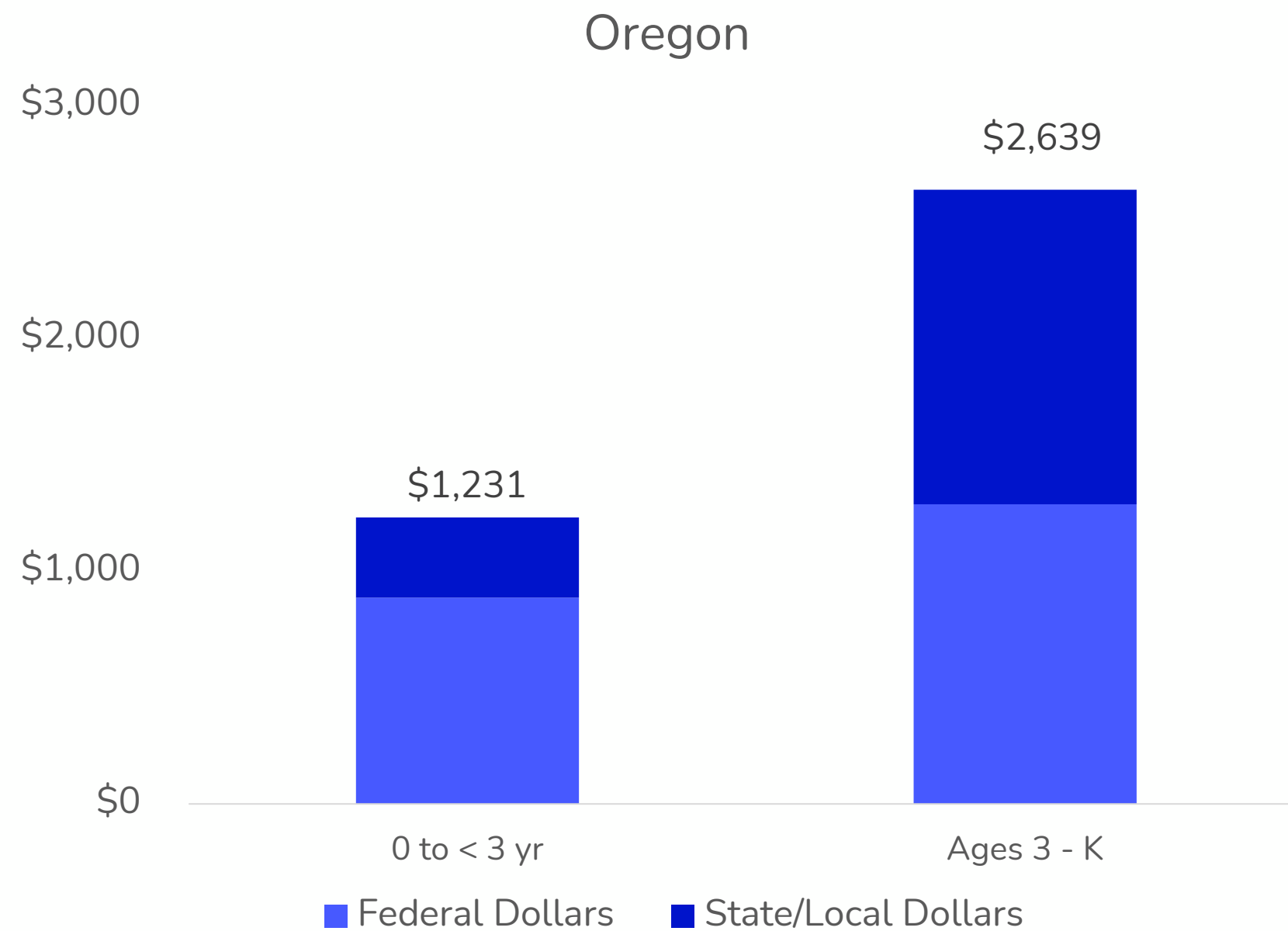


Since 2022, the State of Maine has invested significantly more of its general revenue toward ECE programs like Salary Supplements and child care subsidies for early childhood educators, more than \$32 million in additional state investments.

This is why we must update this analysis annually to create a public-facing historical record.

Difference captured: \$46.3 Million

State-level Investments in ECE Vary Significantly



The Shortchanged website is live!

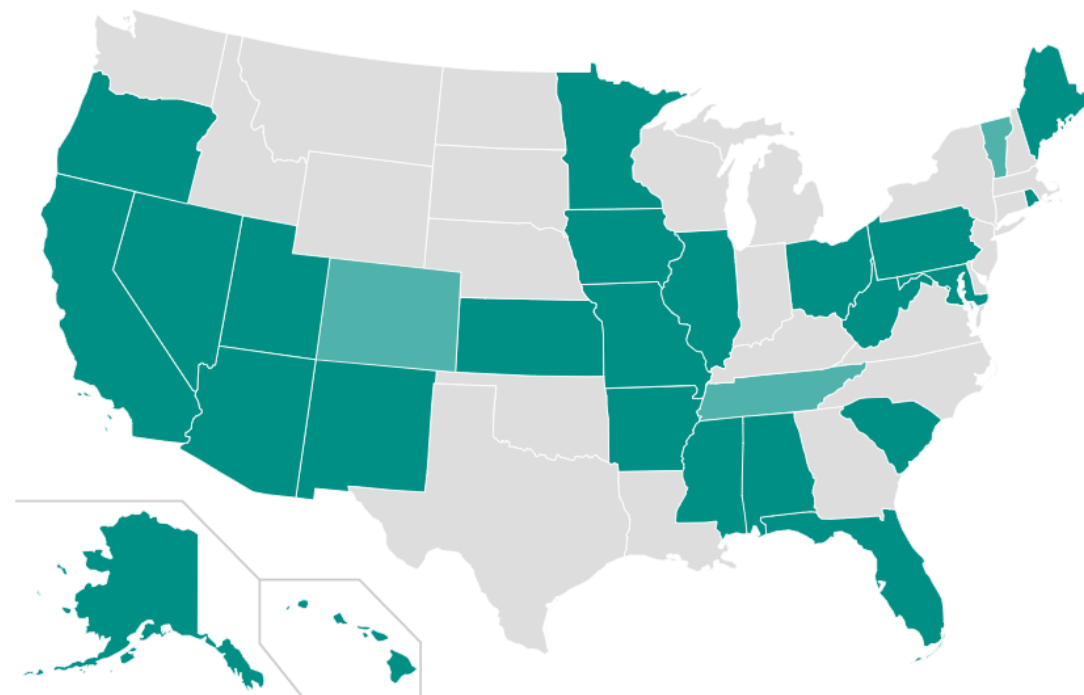


[SHORTCHANGED PROJECT](#) [ECE SPENDING IN THE U.S.](#) [ABOUT US](#)

Learn What's Happening Across the U.S.

Hover over each state, read the tooltip, then click through to read more.

(If you don't see your state yet, please contact us at info@celfe.org. We are looking to partner with more state budget experts to make sure all states' ECE expenditures are captured accurately.)



If you do not see your state represented, contact us.

We would love to partner to make sure all state investments are accurately captured.

[Check out our Shortchanged Project Website for:](#)

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Thank you to our partners



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