

Center for Early Learning Funding Equity
NORTHERN ILLINOIS UNIVERSITY

Early Learning Shortchanged

Tracking Public Investments in Early Care and Education

October 14, 2026

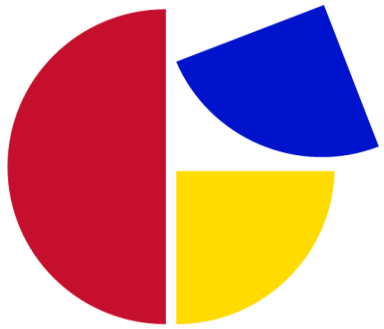
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About the Center for Early Learning Funding Equity (CELFE)

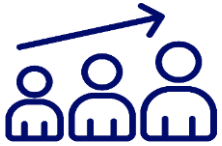
The Center for Early Learning Funding Equity (CELFE) builds capacity for assessing and ensuring adequacy in early learning **funding systems** through research and transformative partnerships. We create innovative approaches and funding mechanisms that support the diverse needs of children and families.

The Shortchanged Project:





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



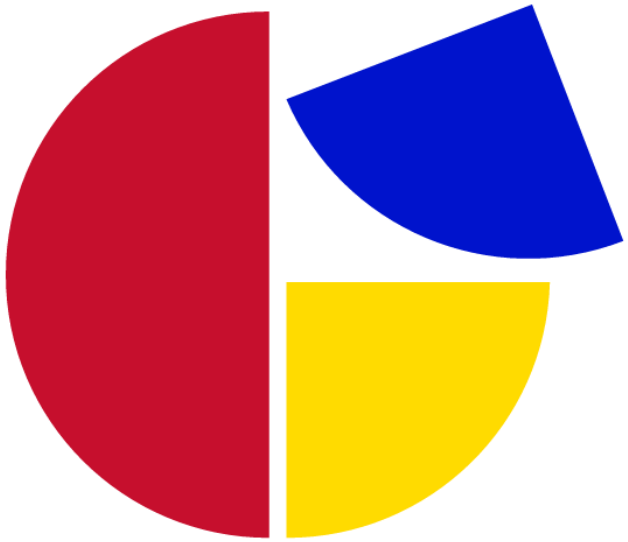
Analyzes public expenditures on education and care by age group



Tracks and compares different total investments across states and funding streams



Creates better tools for advocating for future investment with accurate and complete information



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TRACKING PUBLIC INVESTMENT IN EARLY LEARNING

To understand how education and care spending varies by age group, we compared **early childhood per capita expenditures** with K-12 spending—both nationally and in each state.

The Shortchanged Project analyzes these public funding streams to capture ECE funding systems, and reports **per capita funding across three age groups.**

Federal funding sources:

- CDCTC
- CCDBG/CCDF
- SSBG
- TANF - Child Care and Home Visiting
- CACFP
- Early Head Start
- Head Start
- IDEA Part B
- IDEA Part C
- MIECHV
- PDG
- CCAMPIS

State specific funding for:

- Child care
- Early intervention
- Preschool
- Preschool special education
- Home visiting or parental education

Local funding sources:

- K-12 spending
- State preschool



0-3 years



3-5.5 years



K-12

National reporting on early childhood finance typically tracks individual funding streams, rather than total public investment in the system as a whole.



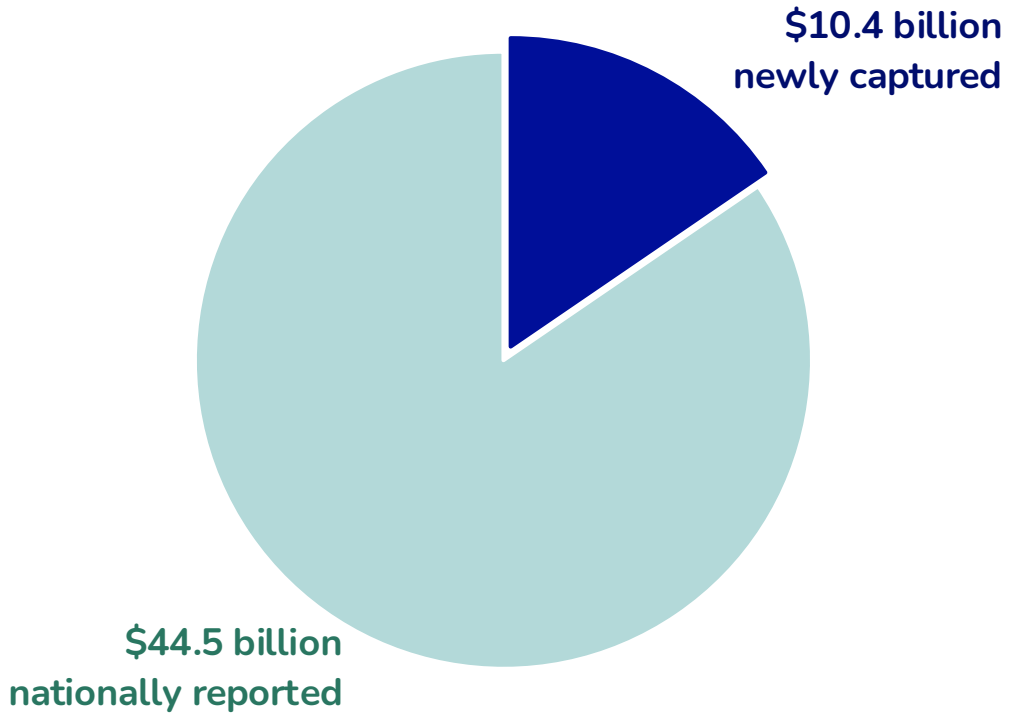
Shortchanged captures **total** public investment

- Every available source, including line-item details from state budget documents
- Accounts for the blending and braiding that sustain the ECE system

In FY2024 data, **CELFE identified over $10.4 billion of state ECE spending** that was not otherwise accounted for in national reporting.

- Going directly to state expenditures allowed us to gather a more accurate picture of national and state-by-state spending.
- This is an increase of ~$2.8 billion in unreported state investment over 2023.
- CELFE found that **29 states** invested more in child care than the required CCDF MOE and match

Total public ECE expenditures for FY24 were $55 billion



We used the most recent data available at the time of publication, which for most sources was **Fiscal Year 2024.**

However, the figures in this report are **preliminary** because of lags in federal data reporting.

- **SSBG:** 2022 data (latest available; 2024 not yet published)
- **CDCTC:** 2023 data (latest available; 2024 not yet published)
- **CCDF:** 2024 allocations; to be updated with actual expenditures when available (expected January 2027)
- **All other funding streams and state data:** 2024

Key Findings

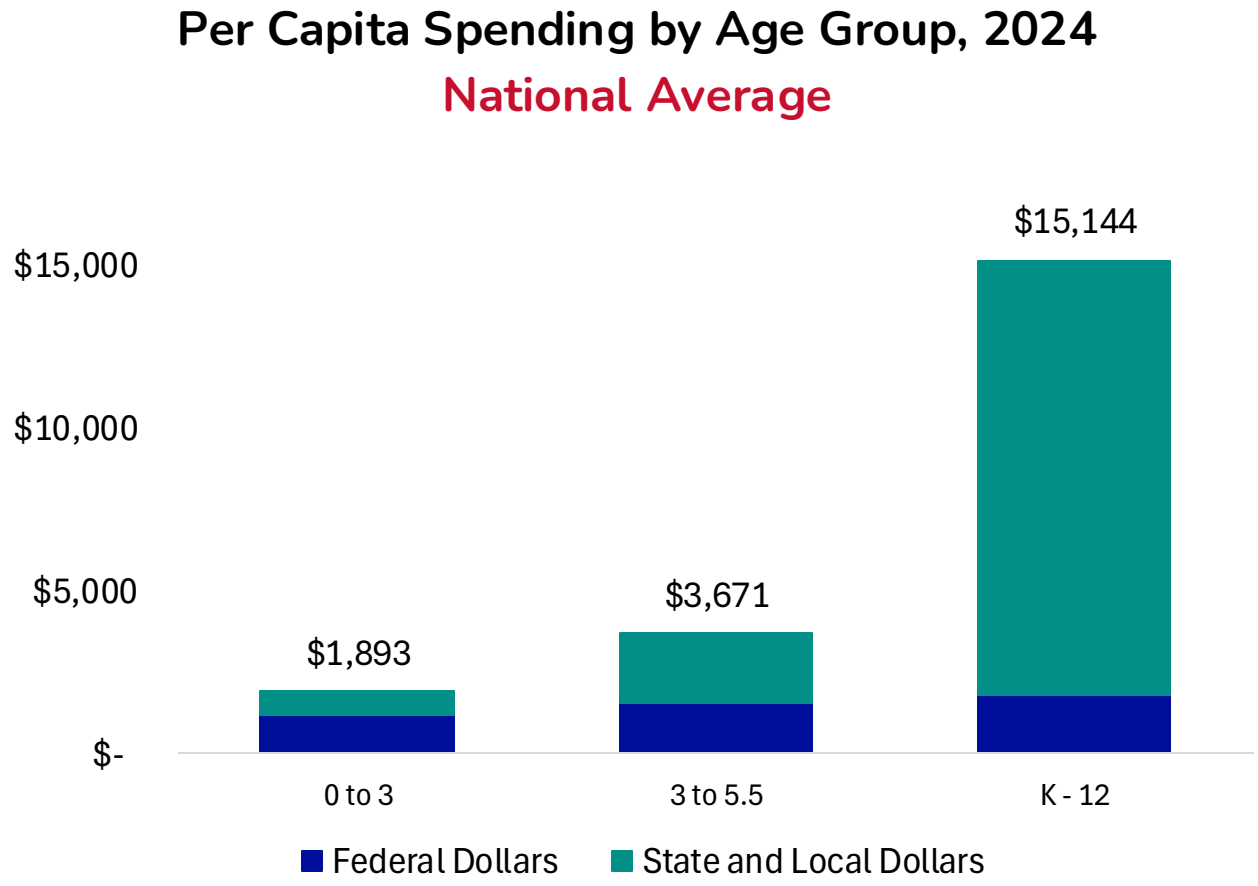
1. The US has made real progress in ECE spending, especially on preschool aged children.

2. This progress has been driven by states such as New Mexico, Colorado, Massachusetts and others, making innovative state investments.

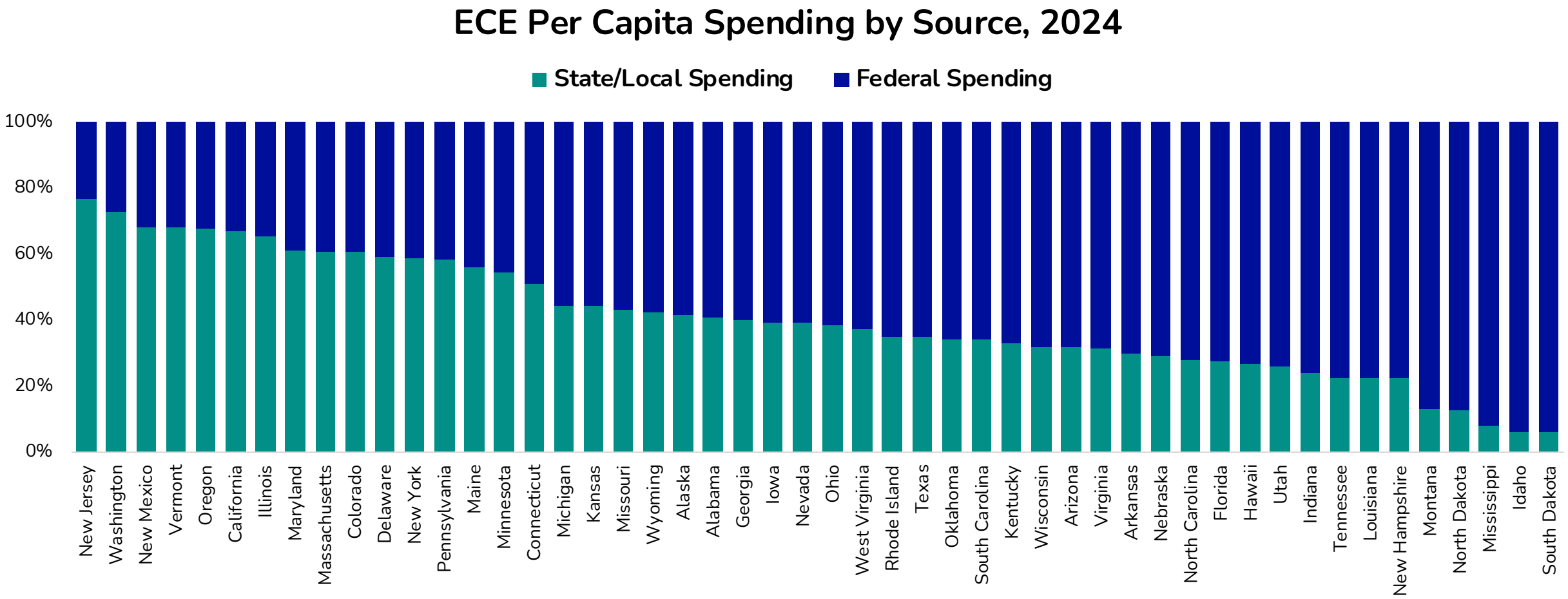
3. Despite this, state spending on ECE is still far behind K-12.

ECE spending grew 17% from 2023 to 2024, compared with only 3% for K-12, however a large gap persists.

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.

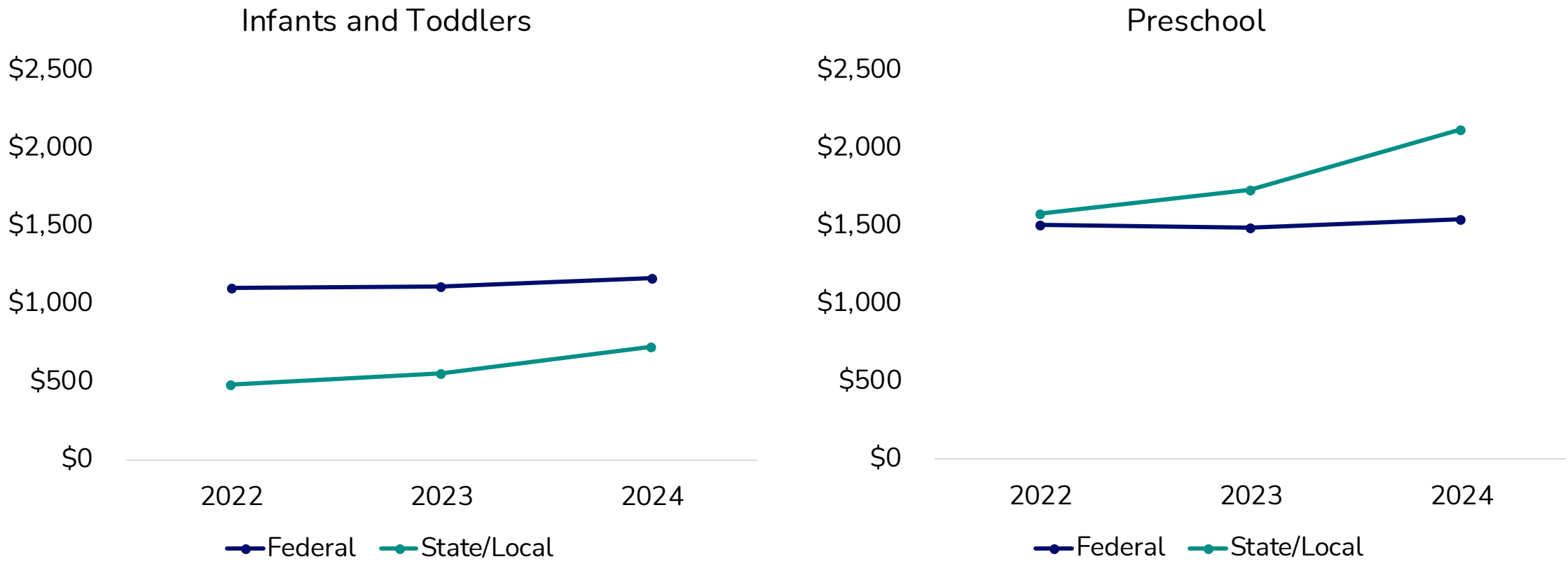


Compared with 2023, the state and local share of ECE spending rose in most states, **driven by growth in state investment.**

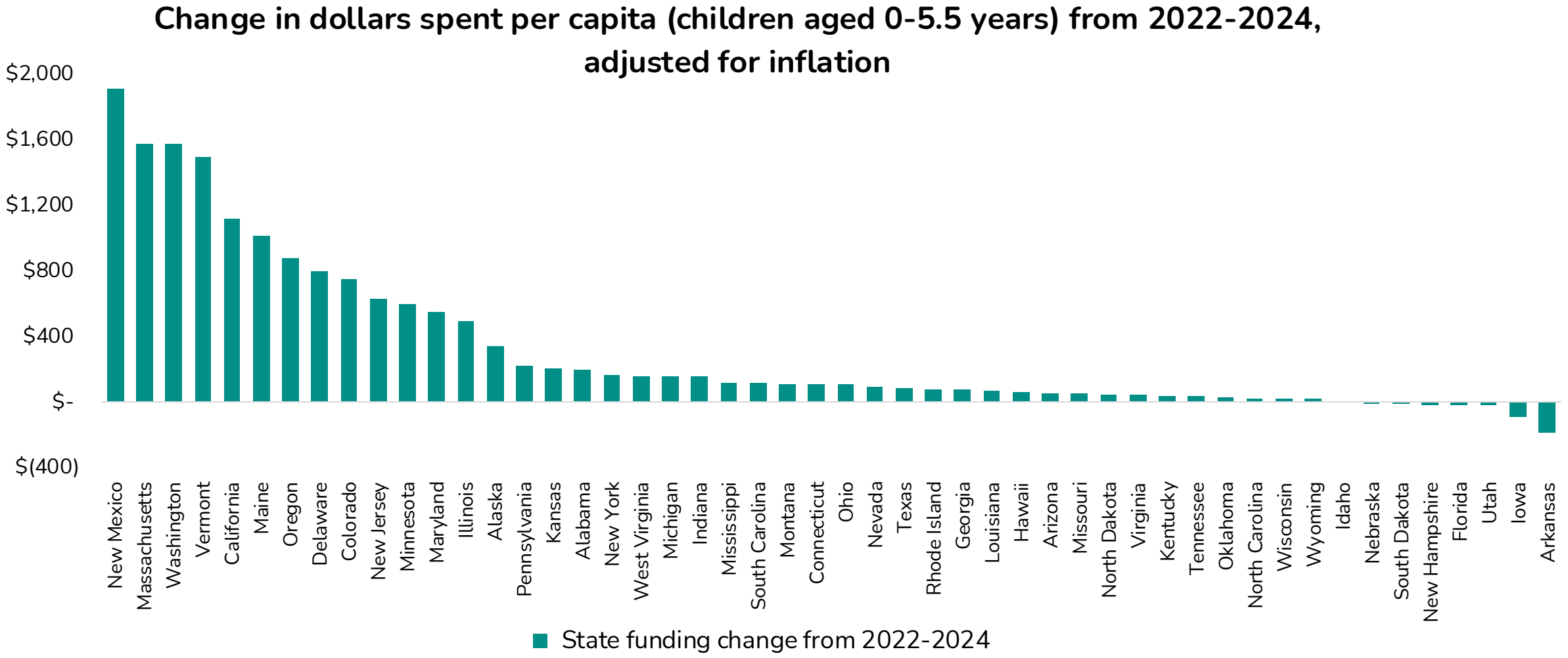


While federal funding has remained relatively stable nationally, state investments have increased, **particularly for preschoolers.**

Per Capita Spending by Age Group Over Time – National Average
(adjusted for inflation)



Some states have increased their spending by more than $1,000 per capita.



States are taking different paths towards building more accessible and effective ECE systems

Investment in state preschool



Colorado

The Colorado Preschool Program transitioned to Universal Preschool, and state preschool spending rose from $77M in 2023 to $301M in 2024.

Building on Covid relief dollars



Massachusetts

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.

Exploring innovative funding mechanisms



Connecticut

The Early Childhood Education Endowment, funded by state surpluses since 2025, holds more than $700M, with at least 35% of new slots reserved for infants and toddlers.

Even states that invest the most in their ECE systems rely on federal programs such as CCDF and E/HS for significant portions of their spending.

Percent of Federal CCDF and E/HS in Total Pre-K and Child Care Investments by State, 2024



States like Massachusetts, California, New Mexico, Vermont, Oregon and Illinois still rely on these federal programs to fund **more than 25%** of their ECE spending.

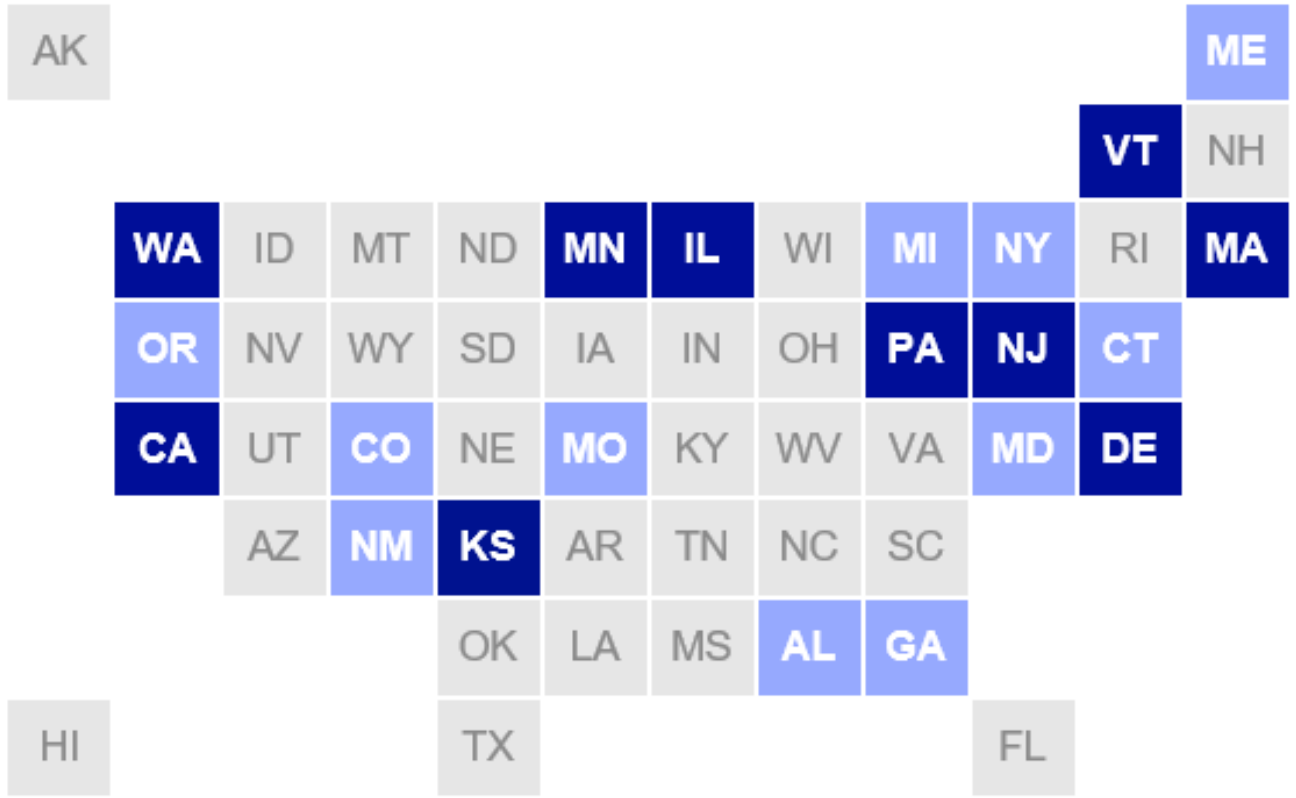
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Many states have expanded ECE services for preschoolers, but most continue to dramatically underinvest in infants and toddlers.

On average, states spent 66% less on infants and toddlers than they do on preschoolers.

In 2024, we find that more states source 50% or more of their total ECE funding through state funding streams than previous years – but **funds tend to be concentrated for preschool-aged children.**



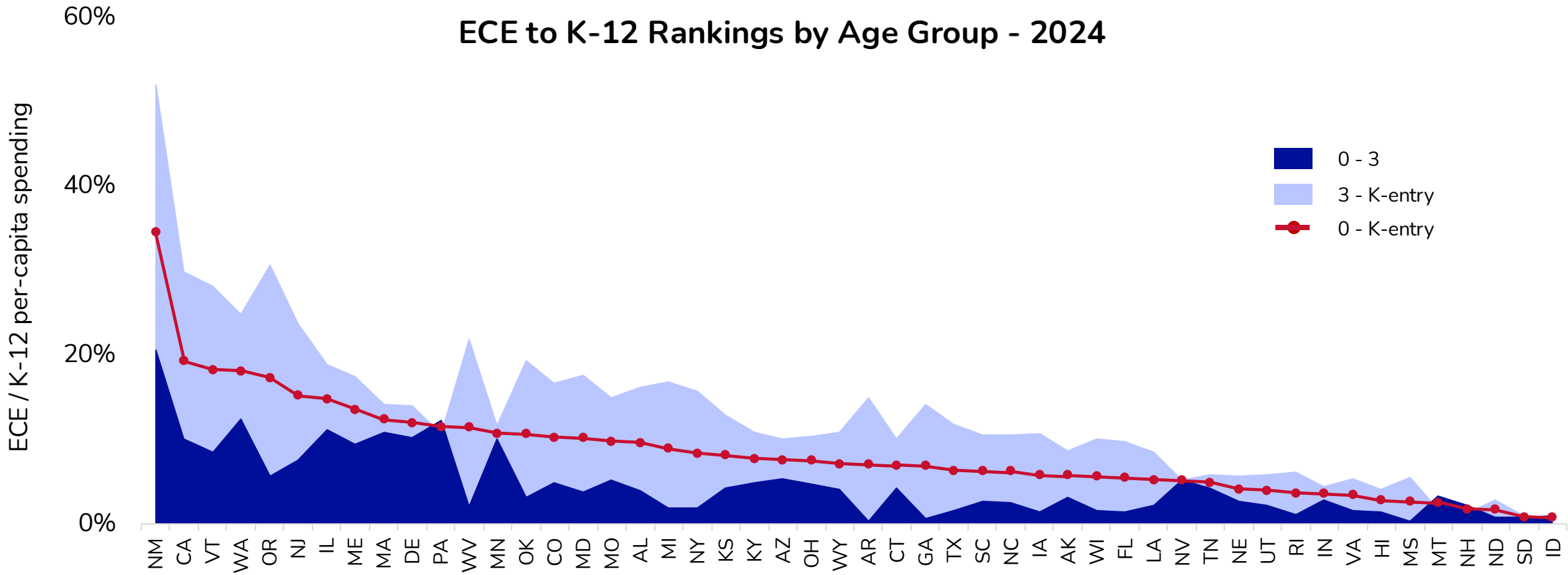
50%+ for all ages 0 – 5.5

50%+ for ages 3 – 5.5 only

Below 50% for ages 0 – 5.5

Every state that contributes 50% or more of total spending from state funds for ages 0–3 also does so for ages 3–5.5

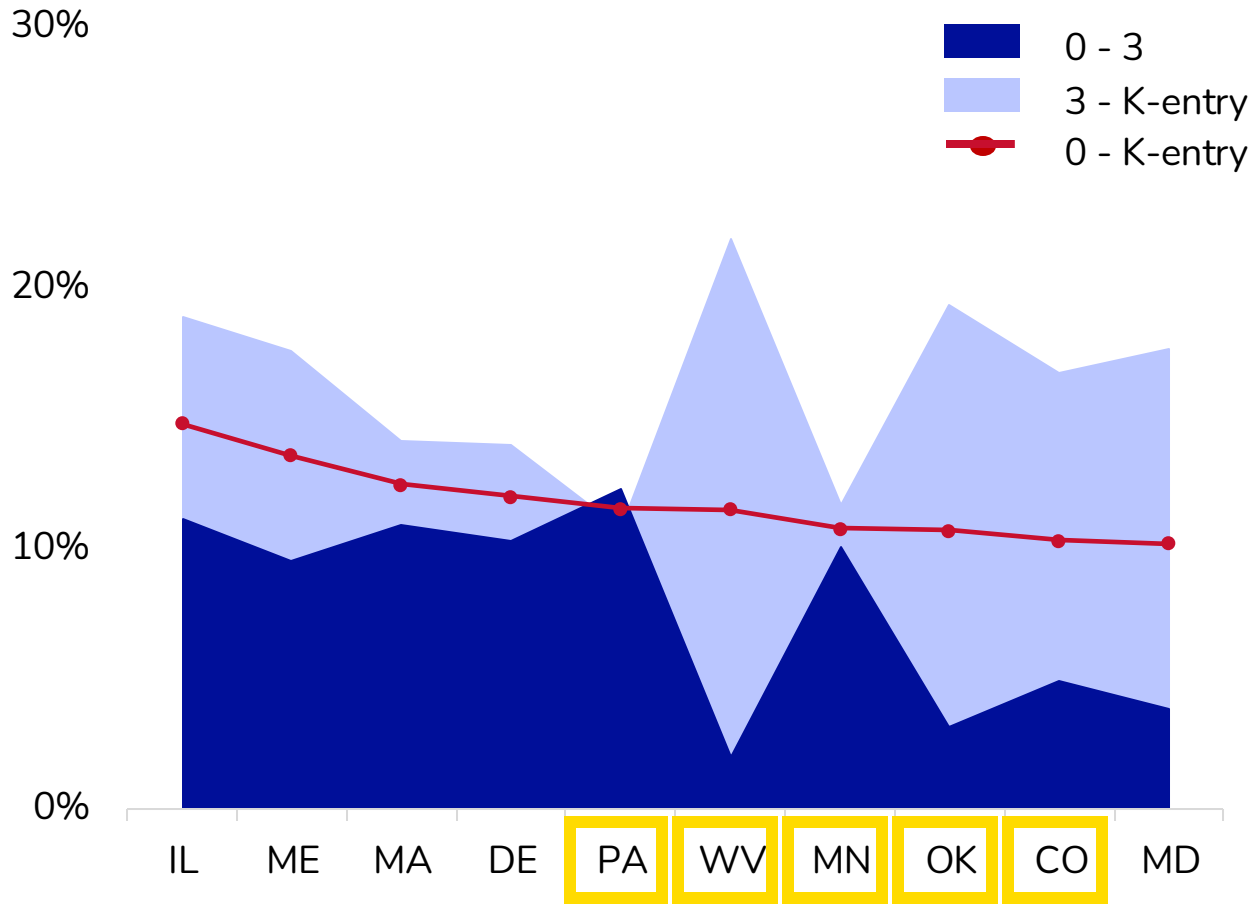
With accurate state data, we are able to **rank each state's commitment to ECE** by age group and compare the per capita state and local spending in ECE to K-12.



States **vary widely** in how their spending on infants and toddlers and preschoolers compares to their spending on K–12.

Some states, like Pennsylvania and Minnesota, invest at similar levels in infants and toddlers and in preschoolers, relative to K–12.

Others, like West Virginia, Oklahoma, and Colorado, invest far more in preschoolers than in their youngest children.

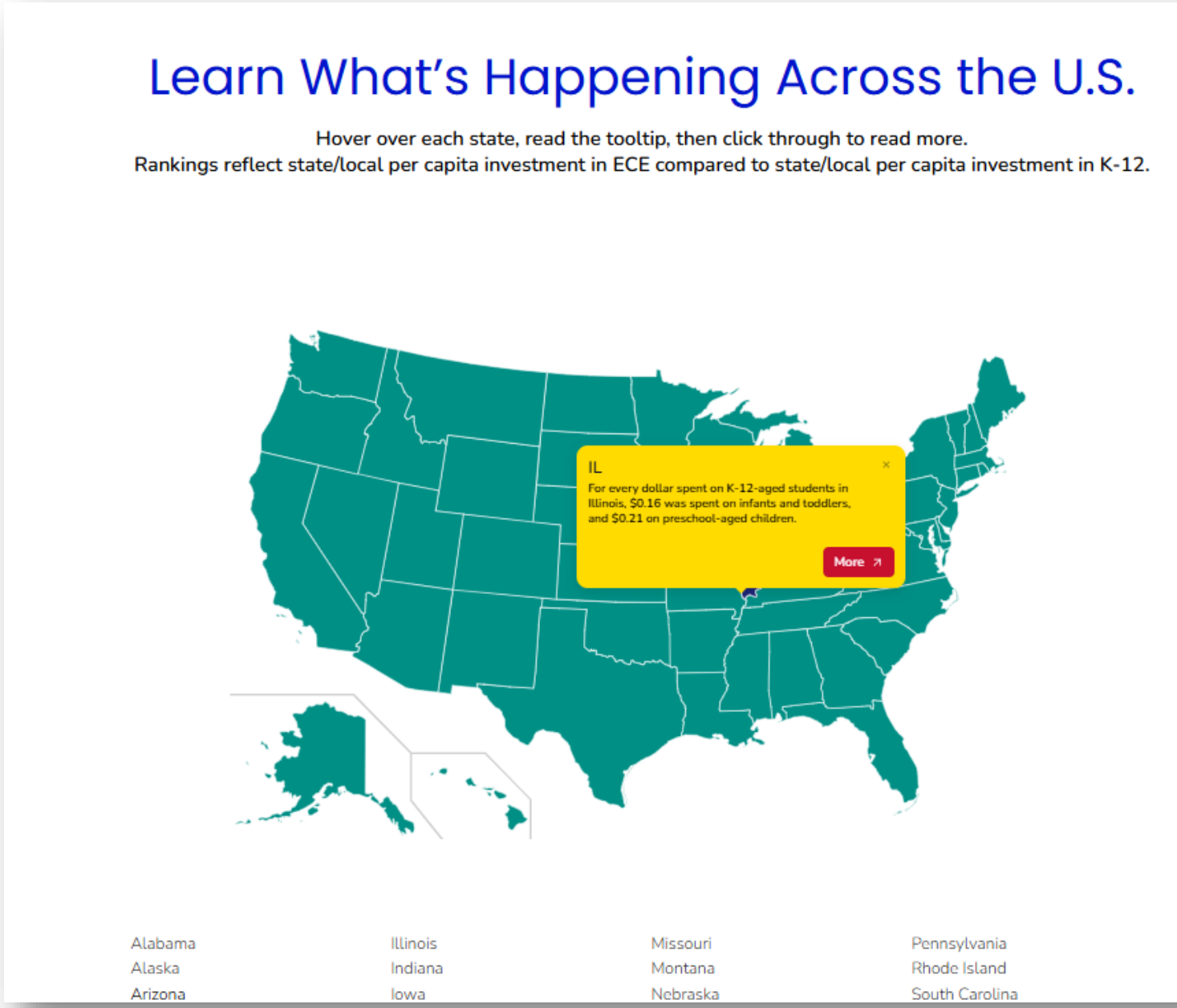


You can find more detailed analysis at shortchangedproject.com

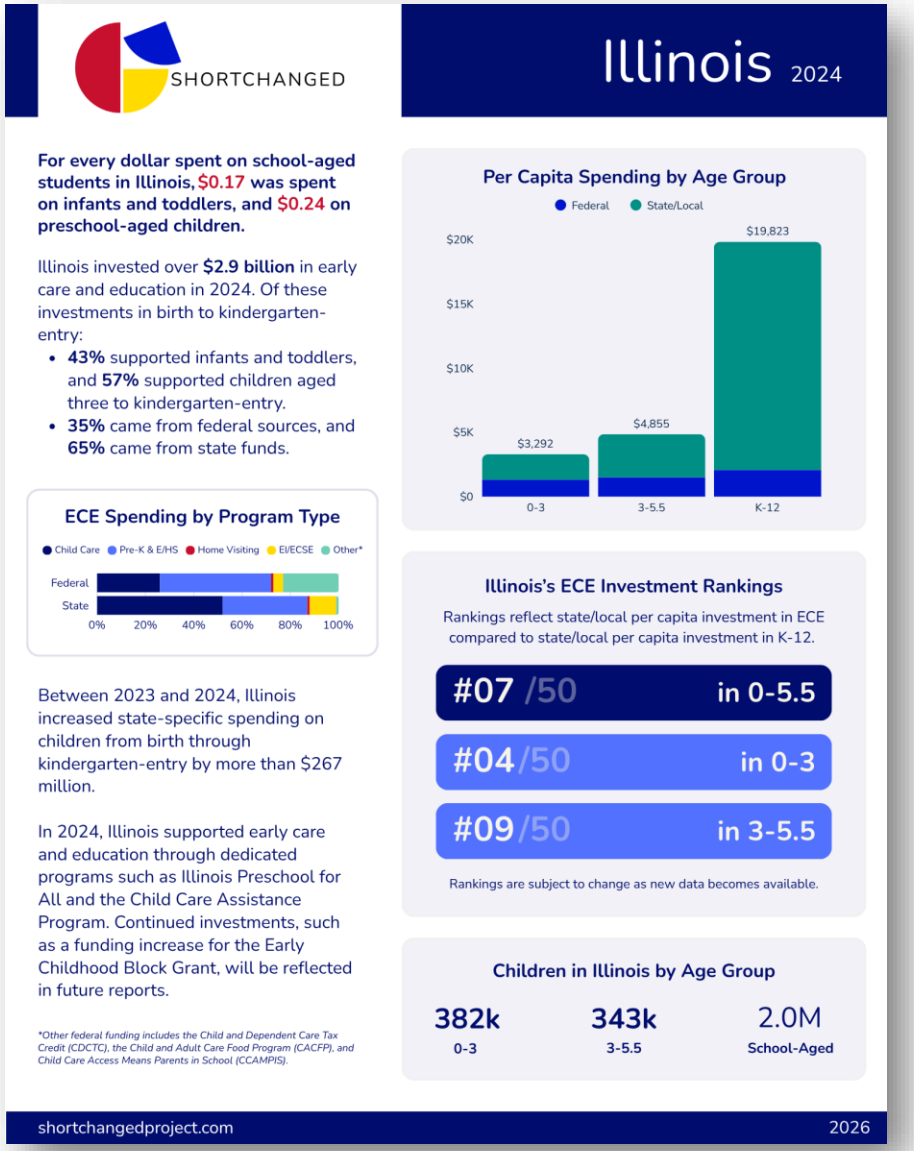
On the website you can:

- Compare state investments to one another
- Find one-pagers and download our data for each state
- Read our reports and briefs
- Access partner resources (Like NIEER, CFP fiscal maps, Zaentz Navigator)

Scan here to learn more!



Each state has its own downloadable factsheet.



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Illinois 2024

For every dollar spent on school-aged students in Illinois, $0.17 was spent on infants and toddlers, and $0.24 on preschool-aged children.

Illinois invested over **$2.9 billion** in early care and education in 2024. Of these investments in birth to kindergarten-entry:

- **43%** supported infants and toddlers, and **57%** supported children aged three to kindergarten-entry.
- **35%** came from federal sources, and **65%** came from state funds.

ECE Spending by Program Type

Between 2023 and 2024, Illinois increased state-specific spending on children from birth through kindergarten-entry by more than $267 million.

In 2024, Illinois supported early care and education through dedicated programs such as Illinois Preschool for All and the Child Care Assistance Program. Continued investments, such as a funding increase for the Early Childhood Block Grant, will be reflected in future reports.

**Other federal funding includes the Child and Dependent Care Tax Credit (CDCTC), the Child and Adult Care Food Program (CACFP), and Child Care Access Means Parents in School (CCAMPIS).*

Per Capita Spending by Age Group

Illinois's ECE Investment Rankings

Rankings reflect state/local per capita investment in ECE compared to state/local per capita investment in K-12.

#07 /50 in 0-5.5

#04 /50 in 0-3

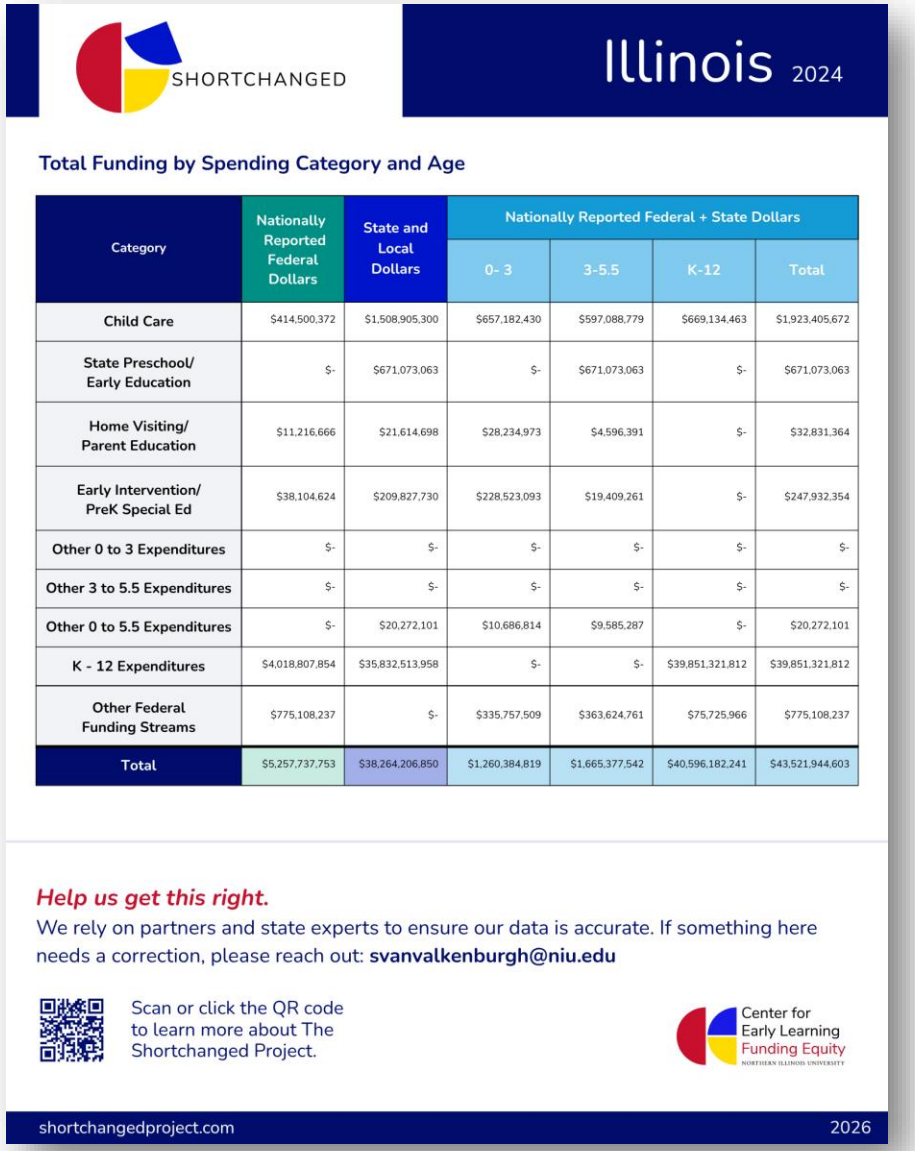
#09 /50 in 3-5.5

Rankings are subject to change as new data becomes available.

Children in Illinois by Age Group

0-3	3-5.5	School-Aged
382k	343k	2.0M

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Illinois 2024

Total Funding by Spending Category and Age

Category	Nationally Reported Federal Dollars	State and Local Dollars	Nationally Reported Federal + State Dollars			
			0- 3	3-5.5	K-12	Total
Child Care	$414,500,372	$1,508,905,300	$657,182,430	$597,088,779	$669,134,463	$1,923,405,672
State Preschool/ Early Education	$-	$671,073,063	$-	$671,073,063	$-	$671,073,063
Home Visiting/ Parent Education	$11,216,666	$21,614,698	$28,234,973	$4,596,391	$-	$32,831,364
Early Intervention/ PreK Special Ed	$38,104,624	$209,827,730	$228,523,093	$19,409,261	$-	$247,932,354
Other 0 to 3 Expenditures	$-	$-	$-	$-	$-	$-
Other 3 to 5.5 Expenditures	$-	$-	$-	$-	$-	$-
Other 0 to 5.5 Expenditures	$-	$20,272,101	$10,686,814	$9,585,287	$-	$20,272,101
K - 12 Expenditures	$4,018,807,854	$35,832,513,958	$-	$-	$39,851,321,812	$39,851,321,812
Other Federal Funding Streams	$775,108,237	$-	$335,757,509	$363,624,761	$75,725,966	$775,108,237
Total	$5,257,737,753	$38,264,206,850	$1,260,384,819	$1,665,377,542	$40,596,182,241	$43,521,944,603

Help us get this right.

We rely on partners and state experts to ensure our data is accurate. If something here needs a correction, please reach out: **svanvalkenburgh@niu.edu**

Scan or click the QR code to learn more about The Shortchanged Project.

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What's Next?



Additional research briefs and webinars



Updated data and analysis for FY25



Continued outreach to state administrators and advocates (we need great state partners to get this right!)

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Coming soon:
Our FY24 report will be released in the next week!



Thank you!

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