

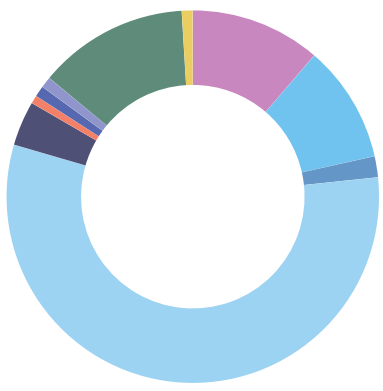


# Early Childhood Education in Minnesota



State and federal funding enables more than 51,706 children and families in Minnesota to access high-quality, public and private, early childhood programs.<sup>1</sup>

## Federal and State Early Childhood Education Funding in Minnesota



- \$143.3M ● Head Start and Early Head Start<sup>2</sup>
- \$129.0M ● CCDBG and Mandatory Funds<sup>3</sup>
- \$23.1M ● CCDBG State Match<sup>4</sup>
- \$709.8M ● CCDBG COVID-Relief Allocations: CARES<sup>5</sup> | CRRSA<sup>6</sup> | ARPA (CCDF + Stabilization)<sup>7</sup>
- \$48.6M ● State-Funded Pre-K<sup>8</sup>
- \$8.8M ● MIECHV<sup>9</sup>
- \$11.7M ● IDEA Part C<sup>10</sup>
- \$11.5M ● IDEA Part B, Sec. 619<sup>11</sup>
- \$164.8M ● TANF<sup>12</sup> Early Learning and Care Expenditures<sup>13</sup>
- \$11.6M ● Preschool Development Grant Birth through Five<sup>14</sup>

## Minnesota Quick Facts

**7,696**  
Children Enrolled in Head Start<sup>19</sup>

**17.44%**  
Eligible Children Served by Head Start<sup>20</sup>

**3,494**  
Children Enrolled in Early Head Start<sup>21</sup>

**6.21%**  
Eligible Children Served by Early Head Start<sup>22</sup>

**13,824**  
Children Under Six Served by CCDBG and Mandatory Funds<sup>23</sup>

**7.4%**  
Eligible Children Under Six Served by CCDBG and Mandatory Funds<sup>24</sup>

**8,137**  
Children Enrolled in State Funded Pre-K<sup>25</sup>

**1,744**  
Families Served by MIECHV<sup>26</sup>

**4,890**  
Children Served by IDEA Part C<sup>27</sup>

**11,921**  
Children Served by IDEA Part B, Sec. 619<sup>28</sup>

**17.19%**  
Three- and Four-year old Children who Attend Public ECE<sup>29</sup>

## Early Childhood Education Economic Impact

In addition to the benefits to young children, access to affordable, high-quality child care can increase parental labor force participation and family economic stability. Child care problems, however, adversely affect both state and national economies. As a direct result of child care issues, the national economy loses upward of \$57 billion annually in the form of lost earnings, productivity, and revenue.<sup>15</sup>

### In Minnesota

**4.8%** of parents make career sacrifices due to child care issues.<sup>16</sup>


Labor force participation of mothers with children under the age of 5 decreased from 76.5% in 2019 to 68.8% in 2021.<sup>17</sup>

### Nationwide<sup>18</sup>

The percent of families that reported difficulty finding space in a home- or center-based program increased dramatically from 22% in December 2021 to 58% in January 2022.


71% of parents report that difficulty finding child care has impacted their ability to work.

# Minnesota Early Learning and Care Snapshot




**Need**

- Population Under Six: 420,459<sup>30</sup>
- Under Six Living in Poverty: 11.77%<sup>31</sup>
- 74.19% of children under six have all available parents in the workforce<sup>32</sup>




**Access**

- 26% of Minnesota residents live in a "child care desert"<sup>33</sup>
- For Black families and families with low incomes, this percentage is even higher<sup>34</sup>



**Affordability**

- The average price of child care is \$11,732 per year<sup>35</sup>
- The median household income is \$114,765<sup>36</sup>



**Quality**

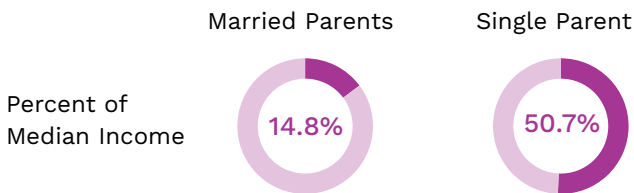
- Met 5.4/10 of NIEER's State Preschool Quality Standards<sup>37</sup>

## High Price of Care<sup>38</sup>

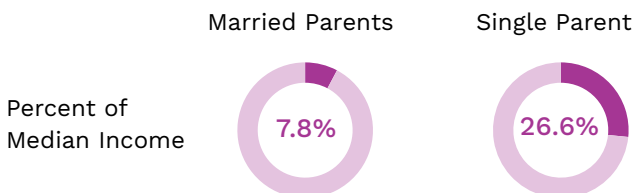
Too often, the care that is available costs more than families can afford.

### Annual Price of Infant Care in Minnesota

Center-Based ————— **\$16,973 per year**



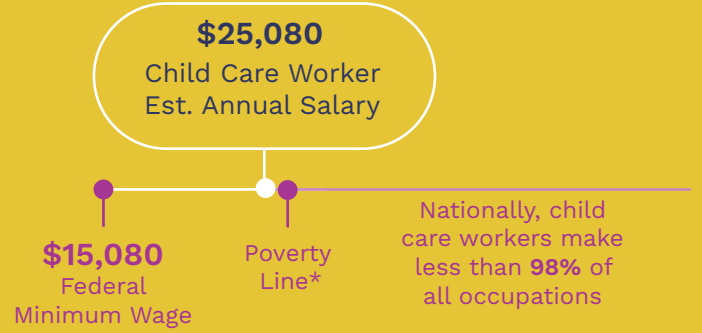
Home-Based ————— **\$8,898 per year**



# Low Compensation for Early Educators

Despite the critical nature of their work, early educators are among the most underpaid workers in the nation.<sup>39</sup>

**\$12.06** Child Care Workers Hourly Rate



## The Temporary Impact of ARPA Funding

In Minnesota, 78,971 child care spots were saved by ARPA funds.<sup>40</sup>

**Of providers who received stabilization grants:<sup>41</sup>**

**92%**

said funding helped them stay open.

**46%**

used funds to pay debts taken on in the course of the pandemic, including

**75%**

used funds for compensation but still struggle to provide competitive wages and benefits.

↓  
**63%**

of those in family child care homes.

1 This figure includes beneficiaries of Head Start, Early Head Start, the Child Care and Development Block Grant (CCDBG), the Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV), state-funded Pre-K, and the Individuals with Disabilities Education Act (IDEA) Parts B, Sec. 619 and C. In some cases, children and families are served by more than one program. | 2 Head Start Early Childhood Learning and Knowledge Center | 3 Office of Child Care (OCC) GY2021 CCDF Allocations (Based on Appropriations) | 4 Ibid | 5 OCC CARES Act CCDBG Supplemental Funding Allocations for States and Territories | 6 OCC Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) of 2021 Allocations for States and Territories | 7 OCC American Rescue Plan Act (ARPA) Supplemental Stabilization and CCDF Discretionary Funding Allocation Tables for States and Territories | 8 National Institute for Early Education Research - State of Preschool 2021 (NIEER) | 9 Health Resources and Services Administration (HRSA) | 10 U.S. Department of Education (ED) | 11 Ibid | 12 Temporary Assistance for Needy Families (TANF) | 13 Office of Family Assistance (TANF FY2019 Financial Data) | 14 OCC (includes non-federal match amount) | 15 Council for a Strong America | 16 Data Resource Center for Child and Adolescent Health 2019 | 17 Committee for Economic Development (CED) | 18 Rapid-EC Survey, March 2022 | 19 Office of Head Start Performance Indicator Report (PIR) | 20 PIR and U.S. Census Bureau (Census) | 21 PIR | 22 PIR and Census | 23 OCC FY2020 CCDF Preliminary Data Tables | 24 Center for American Progress (CAP) - Early Learning in the U.S., 2021 | 25 NIEER | 26 HRSA | 27 ED | 28 ED | 29 NIEER (includes preschool, Head Start, and Special Education) | 30 Census | 31 Census | 32 Census | 33 CAP defines "child care desert" as any census tract with more than fifty children under age five that contains either no child care providers OR more than three times as many children as licensed child care slots. | 34 CAP | 35 Child Care Aware of America (CCAoA) (average of center-based and home-based infant and 4-year-old care) | 36 CCAoA (for married couple) | 37 NIEER | 38 CCAoA | 39 Center for the Study of Child Care Employment, Early Childhood Workforce Index - 2020 | \* 2019 Federal Poverty Guideline for a family of four in the 48 contiguous states and the District of Columbia is \$25,750 per year. | 40 The Century Foundation | 41 National Association for the Education of Young Children (NAEYC)