High-quality early care and education (ECE) is proven to dramatically improve a child’s opportunities for a better future while offering parents greater job stability and overall economic security.

The Economic Impact

Access to affordable, high-quality child care can increase parental labor force participation and family economic stability. However, widespread problems finding and paying for child care adversely affect both state and national economies. As a direct result of child care issues, the national economy loses $122 billion annually in the form of lost earnings, productivity, and revenue. In Nebraska: The estimated annual economic impact of the infant-toddler child care crisis: $781M.

There are several early learning programs that provide working families with access to high-quality, affordable ECE opportunities, but currently the demand for care far outweighs the supply, and funding constraints leave many eligible children unserved. Each of these programs has its own eligibility requirements, purpose, and service delivery model. Together they form a mixed-delivery system that supports parental choice and aims to meet children’s individual needs.

### Child Care & Development Block Grant (CCDBG)

- **4,725** Children Birth Through Age Five Served

  - 9% Eligible Children Birth Through Age Five Served

  Learn more about CCDBG in Nebraska [here](#).

### Early Head Start

- **2,075** Children Enrolled

  - 23% Eligible Children Served

### Head Start

- **3,518** Children Enrolled

  - 58% Eligible Children Served

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

- **529** Families Served

  Learn more about MIECHV in Nebraska [here](#).

### State-Funded Pre-K

- **12,795** Children Enrolled

  - 24% of three- and four-year-old children attend public ECE

### IDEA Part C

- **2,222** Children Served

### IDEA Part B, Sec. 619

- **4,218** Children Served

### Child and Dependent Care Tax Credit (CDCTC)

Through the tax code, the CDCTC helps parents with the cost of work-related child care expenses. Learn more about CDCTC [here](#).
Federal and State ECE Funding in Nebraska

Federal funding is foundational to providing ECE.

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head Start and Early Head Start</td>
<td>$67.2M</td>
</tr>
<tr>
<td>CCDBG and Mandatory Funds</td>
<td>$54.5M</td>
</tr>
<tr>
<td>MIECHV</td>
<td>$1.3M</td>
</tr>
<tr>
<td>IDEA Part C</td>
<td>$4.3M</td>
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<tr>
<td>IDEA Part B, Sec. 619</td>
<td>$3.6M</td>
</tr>
<tr>
<td>TANF Early Learning and Care Expenditures</td>
<td>$7.2M</td>
</tr>
<tr>
<td>PDG B-5</td>
<td>$4M</td>
</tr>
<tr>
<td>State-Funded Pre-K</td>
<td>$30.9M</td>
</tr>
<tr>
<td>CCDBG State Match</td>
<td>$8.3M</td>
</tr>
<tr>
<td>PDG B-5 State Match</td>
<td>$1.2M</td>
</tr>
</tbody>
</table>

Nebraska received an additional $312M through COVID-19 relief.

Accessibility

Many families struggle to find the care they need.

- 28% of Nebraska residents live in a “child care desert.”
- Hispanics/Latinos and rural families are disproportionately represented among those who live in a “child care desert.”
- 3% of children under age 3 receive early intervention services.

Affordability

The cost of ECE is too expensive for many families.

- The annual price of center-based infant care is $12,220, and home-based infant care is $7,800.
- Families receiving a CCDBG subsidy pay between $61 and $73 per month for one child in care.
- A two-parent household spends 9% of their income on child care, while HHS defines spending over 7% to be a burden.

ECE Workforce

Early childhood educators have some of the lowest paying jobs in the United States, earning poverty-level wages.

- $28,000 child care worker annual salary ($13.46 per hour).

Program Quality

Program quality varies substantially across and within states.

- Met 7/10 of NIEER’s Quality Standards Benchmarks for state-funded pre-K programs. Only 5 states met all 10 benchmarks in 2022.
- 27% of children received developmental screenings at 9, 18, and 30 months in the past year.

For full sourcing information, visit here.

*Nebraska Department of Labor | **BUILD

COVID-19 Relief:
Throughout the pandemic, there was strong bipartisan support for federal relief funding to keep the child care sector afloat.

- As a result, 2,270 child care programs in Nebraska received support, impacting up to 103,700 children.
- These funds also allowed states to demonstrate what would be possible when equipped with additional resources. Funds have been used to support and stabilize the workforce through wage bonuses. The Teacher Recruitment and Retention Grant Awards made lump sum payments of premium pay wages between $1,250 and $2,500 (depending on the length of service) to eligible employees.

Preschool Development Grant Birth Through Five (PDG B-5):
PDG B-5 is a competitive federal grant designed to improve states’ early childhood systems. In their 2023 planning grant application, among other uses, Nebraska noted that they would use funding to:

- Expand the Getting Ready initiative, which provides training and virtual coaching to educators on specific strategies to use in their interactions with families.
- Support ECE providers in strengthening business practices, including offering training on the fundamentals of running a business and providing more technological support.

Spotlight: ECE Successes in Nebraska

For full sourcing information, visit here.