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 Pennsylvania: The estimated annual economic impact of the infant-toddler child care crisis: $4.4B.

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)
58,560 Children Birth Through Age Five
19% Eligible Children Birth Through Age Five

Learn more about CCDBG in Pennsylvania here.

Early Head Start
8,838 Children Enrolled
7% Eligible Children Served

Head Start
24,899 Children Enrolled
25% Eligible Children Served

Maternal, Infant, and Early Childhood Home Visiting (MIECHV)
2,856 Families Served

Learn more about MIECHV in Pennsylvania here.

State-Funded Pre-K
42,592 Children Enrolled
15% of three- and four-year-old children attend public ECE

IDEA Part C
22,511 Children Served

IDEA Part B, Sec. 619
28,317 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.
Early Care and Education (ECE) in Pennsylvania Snapshot

### Accessibility
Many families struggle to find the care they need.
- **57%** of Pennsylvania residents live in a "child care desert."^{20}
- **Rural families** are disproportionately represented among those who live in a "child care desert."^{21}
- **5%** of children under age 3 receive early intervention services.\(^{22}\)

### Affordability
The cost of ECE is too expensive for many families.
- The annual price of center-based infant care is **$12,152**, and home-based infant care is **$8,960**.\(^{23}\)
- Families receiving a CCDBG subsidy pay between **$22** and **$342** per month for one child in care.\(^{24}\)
- A two-parent household spends **8%** of their income on child care, while HHS defines spending over 7% to be a burden.\(^{25}\)

### ECE Workforce
Early childhood educators have some of the lowest paying jobs in the United States, earning poverty-level wages.\(^{26}\)
- **$27,330** child care worker annual salary ($13.14 per hour).\(^{27}\)

### Program Quality
Program quality varies substantially across and within states.
- **Met 6.9/10** of NIEER’s Quality Standards Benchmarks for state-funded pre-K programs. Only 5 states met all 10 benchmarks in 2022.\(^{28}\)
- **30%** of children received developmental screenings at 9, 18, and 30 months in the past year.\(^{29}\)

For full sourcing information, visit [here](#).

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**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, **6,845** child care programs in Pennsylvania received support, impacting up to **365,500** children.\(^{41}\)
- 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 retention and sign-on bonuses and payroll tax assistance. Workforce payments to providers range from $1,000 to $2,000 per staff member depending on role and setting.

**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 renewal grant application, among other uses, Pennsylvania noted that they would use funding to:
- **Award “start-up” grants to individuals who complete the steps necessary to become a licensed child care facility**, with financial support for licensing and certification fees, supplies, learning materials, marketing, hiring costs, and more.
- **Deploy “Rapid Response Teams” in communities**, providing on-demand support for ECE programs struggling with challenging child behavior.\(^{**}\)

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**Federal and State ECE Funding in Pennsylvania**

Federal funding is foundational to providing ECE.

Pennsylvania received an additional $1.6B through COVID-19 relief.\(^{40}\)

- **$355.9M** • Head Start and Early Head Start\(^{20}\)
- **$298.6M** • CCDBG and Mandatory Funds\(^{31}\)
- **$11.5M** • MIECHV\(^{32}\)
- **$23.2M** • IDEA Part C\(^{33}\)
- **$21.6M** • IDEA Part B, Sec. 619\(^{34}\)
- **$595.3M** • TANF Early Learning and Care Expenditures\(^{35}\)
  - **$16M** • PDG B-5\(^{36}\)
- **$351.7M** • State-Funded Pre-K\(^{37}\)
- **$58.1M** • CCDBG State Match\(^{38}\)
- **$4.8M** • PDG B-5 State Match\(^{39}\)

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