



2023

Child Care and Early Education in South Dakota



In South Dakota, federal and state early learning opportunities serve more than 9,459 children and families,¹ or 13% of children birth through age 5.²

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.⁷ In South Dakota: The estimated annual economic impact of the infant-toddler child care crisis: \$329M.⁸

Families Lack Access to High-Quality ECE Options in South Dakota

The high cost and limited supply of quality ECE have created serious challenges for many families.

Unmet Need



72,231 Children Birth Through Age Five³



18% of Children Birth Through Age Five Living in Poverty⁴



71% of Children Birth Through Age Five With All Available Parents in the Workforce⁵



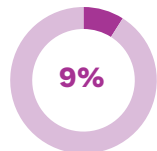
13% of Children Birth Through Age Five Served By Federal- and State-Funded Early Learning Opportunities⁶

Note: 1,2,6: These figures include beneficiaries of Head Start, Early Head Start, CCDF, MIECHV, state-funded Pre-K, and IDEA Parts B, Sec. 619 and C. In some cases, children and families are served by more than one program.

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)

2,346 Children Birth Through Age Five Served⁹



Eligible Children Birth Through Age Five Served¹⁰

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

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

163 Families Served¹⁵

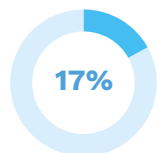
Learn more about MIECHV in South Dakota [here](#).

IDEA Part C

1,018 Children Served¹⁸

Early Head Start

992 Children Enrolled¹¹



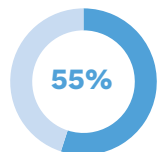
Eligible Children Served¹²

IDEA Part B, Sec. 619

1,851 Children Served¹⁹

Head Start

3,089 Children Enrolled¹³



Eligible Children Served¹⁴

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 South Dakota Snapshot



Accessibility

Many families struggle to find the care they need.

- **43%** of South Dakota residents live in a “child care desert.”²⁰
- **Rural families and families with low incomes** are disproportionately represented among those who live in a “child care desert.”²¹
- **3%** 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 **\$7,862**, and home-based infant care is **\$5,824**.²³
- Families receiving a CCDBG subsidy pay between **\$5** and **\$424** per month for one child in care.²⁴
- A two-parent household spends **7%** 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

- **\$25,490** child care worker annual salary (\$12.26 per hour).²⁷



Program Quality

Program quality varies substantially across and within states.

- **41%** of children received developmental screenings at 9, 18, and 30 months in the past year.²⁹

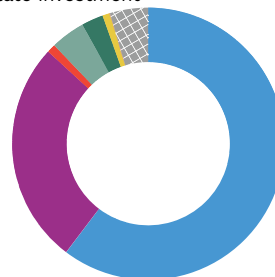
For full sourcing information, visit [here](#).

^{*}South Dakota Transparency Website

Federal and State ECE Funding in South Dakota

Federal funding is foundational to providing ECE.

state investment



\$53.2M • Head Start and Early Head Start³⁰

\$23.4M • CCDBG and Mandatory Funds³¹

\$0.9M • MIECHV³²

\$3.6M • IDEA Part C³³

\$2.3M • IDEA Part B, Sec. 619³⁴

\$0.8M • TANF Early Learning and Care Expenditures³⁵

\$4M • CCDBG State Match³⁸

South Dakota received an additional \$135M through COVID-19 relief.⁴⁰

Spotlight: ECE Successes in South Dakota

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, **705** child care programs in South Dakota received support, impacting up to **42,500** children.⁴¹
- These funds also allowed states to demonstrate what would be possible when equipped with additional resources. Funds have been used to stabilize and support the early childhood sector, including: increasing payroll/salaries; strengthening employee benefits; assisting with rent, utilities, facility maintenance or improvements; and providing mental health support for children/families and employees.*

