

In Indiana, federal and state early learning opportunities serve more than **72,576 children** and families,¹ or **15% of children** ages 5 and under.²

High quality child care and early learning programs support child development and offer parents peace of mind while they work or attend school.

In the U.S., the demand for quality care far outweighs the supply, with more than **30% of working families** with young children unable to access the formal care they want or need.³ While there are several federally funded programs that help working families access quality child care opportunities, limited funding leaves many eligible children unserved. The impacts of these challenges extend beyond families and carry over to the workplace. As a direct result, the national economy loses **\$122 billion annually** in the form of lost earnings, productivity, and revenue.⁴

PROGRAM REACH

Below is a list of existing child care and early learning programs which together form a mixed delivery system that supports parental choice and aims to meet children's individual needs. These programs have unique eligibility requirements and service delivery models. However, at current funding levels, each only reaches a fraction of eligible families.

STATE OF EARLY LEARNING & CARE IN INDIANA

NEED

497,795

Children 5 & Under⁵

64%

Children 5 & Under with All Available Parents in the Workforce⁶

SUPPLY

785

Licensed Child Care Centers in 2024 (+13 from 2023)⁷

2,142

Licensed Family Child Care Homes in 2024 (+10 from 2023)⁸

IMPACT

\$2.2B

Estimated Economic Impact of Child Care Challenges Each Year⁹

COST*

\$16,478

Annual Price of Center-Based Care (\$1,373 per month)¹⁰

\$9,508

Annual Price of Home-Based Care (\$792 per month)¹¹

14.4%

Portion of Median Married-Couple Family Income (\$114,341) Spent on Center-Based Care¹²

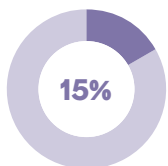
46%

Portion of Median Single-Parent Family Income (\$35,871) Spent on Center-Based Care¹³

**estimates are based on price of infant care for one child*

CHILD CARE & DEVELOPMENT BLOCK GRANT (CCDBG)

148,772 CHILDREN 5 & UNDER ELIGIBLE¹⁴
21,580 CHILDREN 5 & UNDER SERVED¹⁵

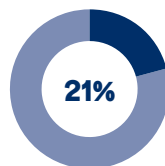


ELIGIBLE CHILDREN
5 & UNDER SERVED¹⁶

Based on federal eligibility (85% SMI)

HEAD START PRESCHOOL

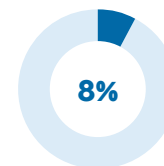
43,452 CHILDREN ELIGIBLE¹⁷
9,262 CHILDREN ENROLLED¹⁸



ELIGIBLE
CHILDREN
SERVED¹⁹

EARLY HEAD START

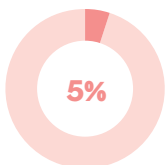
43,452 CHILDREN ELIGIBLE²⁰
3,264 CHILDREN ENROLLED²¹



ELIGIBLE
CHILDREN
SERVED²²

STATE-FUNDED PRE-K

7,948 CHILDREN ENROLLED²³



3-AND 4-YEAR-
OLDS SERVED²⁴

MIGRANT AND SEASONAL HEAD START

176 CHILDREN ENROLLED²⁵

MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING (MIECHV)

1,608 CHILDREN SERVED²⁶

IDEA PART C

(EARLY INTERVENTION)
14,899 CHILDREN SERVED²⁷

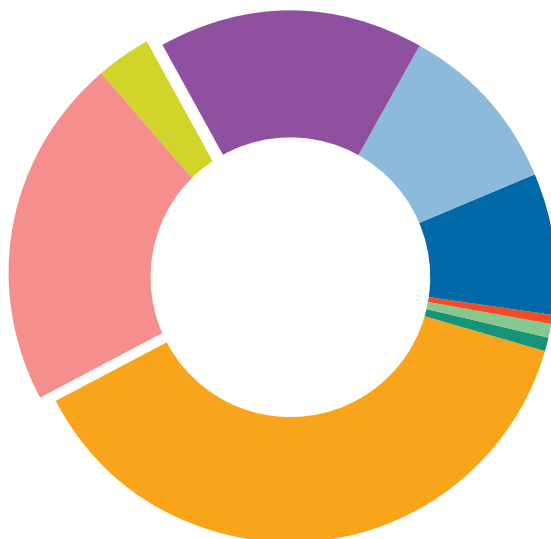
IDEA PART B, SEC. 619

(PRESCHOOL SPECIAL
EDUCATION)
14,015 CHILDREN SERVED²⁸

INDIANA: FEDERAL AND STATE CHILD CARE AND EARLY LEARNING FUNDING

STATE INVESTMENT

- \$79.7M** State-Funded Pre-K³⁸
- \$24M** CCDBG State Match³⁹
- N/A** PDG B-5 State Match⁴⁰



FEDERAL INVESTMENT

- \$260.7M** CCDBG and Mandatory Funds²⁹
- \$130.1M** Head Start Preschool³⁰
(includes AIAN when applicable)
- \$43.2M** Early Head Start³¹
(includes AIAN when applicable)
- \$0** PDG B-5³²
- \$11.6M** MIECHV³³
- \$11.2M** IDEA Part C³⁴
- \$9.8M** IDEA Part B, Sec. 619³⁵
- \$17.1M** TANF Early Care and Education³⁶
- \$61.8M** TANF Transferred to CCDBG³⁷

CCDBG

CCDBG allows states to provide child care assistance to low-income working families with children under age 13, helping parents access child care in a setting of their choice.

In Indiana:

- **3,160 child care providers** accept CCDBG subsidies.⁴¹
- Eligibility is capped at **45% of State Median Income**.⁴²
- A family of three is eligible if they make **\$3,228/month** or less (**\$38,736/year**).⁴³
- With a subsidy, a family of three pays a maximum monthly co-payment of **\$240/month**, compared to **\$1,373/month** without.⁴⁴

State Lead Agencies must establish child care licensing requirements that ensure children are cared for in safe, quality environments. Different rules may apply depending on the setting (e.g., center or home-based) and some providers may be exempt from licensing requirements (e.g., faith-based programs).

Appropriate teacher-child ratios are crucial to ensure safety, quality, and individual attention. Licensed center-based care providers in Indiana must meet the following ratios:⁴⁵

INFANT	1:4
TODDLER	1:5
PRESCHOOL	1:10 for age 3 1:12 for age 4 1:15 for age 5 and older

HEAD START

Head Start Preschool and Early Head Start (collectively referred to as “Head Start”) provide a continuum of high-quality early learning and comprehensive services that support health and development, and strengthen family well-being. Federal funds go directly to local grantees, with programs in every congressional district (explore Head Start’s reach in these [maps](#)).⁴⁶

In Indiana, there are **40 Head Start grants**, which fund **237 program sites** and serve **12,526 children**.^{47, 48, 49}

Children are eligible if their family income is below the federal poverty line, they are receiving TANF, SNAP, or SSI, or if they are in foster care or experiencing homelessness. Additionally, programs are expected to reserve at least 10% of slots for children eligible for services under the Individuals with Disabilities Education Act (IDEA).

PDG B-5

Preschool Development Grants Birth through Five (PDG B-5) is a competitive federal grant designed to improve states’ early childhood systems. To date, Indiana has been awarded **\$48.9M** in PDG B-5 funds.⁵⁰ Indiana’s PDG B-5 plans have included:⁵¹

- Encourage new training models for the early childhood workforce, leveraging career/technical education, portable/stackable credentials, apprenticeships, and more.
- Engage parents by establishing a Family Policy Advisory Council, creating more streamlined eligibility between support programs, and translating resources for multilingual families.

Learn more with the PDG B-5 grantee map [here](#).⁵²

CDCTC

The Child and Dependent Care Tax Credit (CDCTC) directly helps working parents offset the cost of child care. In 2025, the CDCTC was permanently updated for the first time since 2001. Many filers could see their credit increase by as much as \$450 (for one child) or \$900 (for two+ children).⁵³ In Indiana, **111,220 taxpayers** claimed the CDCTC in 2022.⁵⁴



Scan or click the QR code for full references and links. For more information contact FFYF at mail@ffyf.org.