



# Early Learning in Minnesota

By Jessica Troe July 2016

Minnesota families need access to affordable child care and preschool to support working parents and to ensure that children start kindergarten ready to learn. During the first five years of life, children learn critical skills such as language and socio-emotional regulation, which provide a foundation for lifelong learning.<sup>1</sup> High-quality preschool and child care can support healthy development and enable parents to work. Unfortunately, too many children are left behind by the status quo. In fact, differences in children's cognitive abilities by income are evident at only 9 months old and significantly widen by the time children are age 2.<sup>2</sup> Early learning has positive impacts for children, families, and the economy.<sup>3</sup> It's time to work to put these programs within reach.

## Minnesota families need access to high-quality child care and preschool

Minnesota has 425,639 children under age 6,<sup>4</sup> 74 percent of whom have all available parents in the workforce.<sup>5</sup>

High-quality child care and preschool programs help narrow school readiness gaps, which is particularly important for children of color and those living in low-income families.<sup>6</sup>

## The cost of child care is out of reach for families

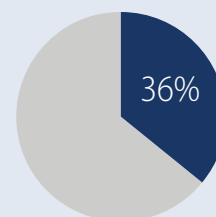
Annual costs at a child care center in Minnesota average \$25,485 for an infant and a 4-year-old,<sup>9</sup> which is 32 percent of the median income for families with children.<sup>10</sup>

For low-income families and people of color, the average cost of child care would constitute the majority of income in most cases.<sup>11</sup>

## The current child care system is failing Minnesota families

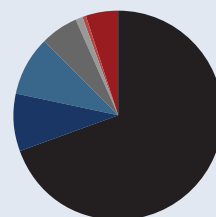
On average, the Child Care and Development Block Grant, or CCDBG, serves only 11 percent of federally eligible children in Minnesota.<sup>12</sup> This results in only 25,000 Minnesota children served through CCDBG funds.<sup>13</sup> Of those served, 68 percent attend licensed or regulated center-based care.<sup>14</sup>

### Children living in low-income families<sup>7</sup>



■ Share of children younger than age 6 living in low-income households

### Race and ethnicity of children younger than age 5<sup>8\*</sup>



70% ■ White  
9% ■ African American  
9% ■ Latino  
6% ■ Asian  
1% ■ American Indian and Alaska Native  
<0.5% ■ Native Hawaiian and Other Pacific Islander  
5% ■ Two or more races

30.5 percent of Minnesota's children under age 5 are children of color.

Minnesota families need greater access to high-quality preschool programs. Minnesota provides financial supports to Head Start and Early Head Start to provide services to children in the state from birth to age 5. Minnesota has two additional early childhood programs, the School Readiness Program and the Early Learning Scholarships Program.<sup>15</sup> This preschool program meets 9 quality benchmarks set by the National Institute for Early Education Research and spends \$7,824 annually per student.

In Minnesota, 7 percent of 3-year-olds and 9 percent of 4-year-olds are enrolled in a public preschool program.<sup>16</sup>

### Investing in high-quality early learning programs affects economies

Making child care more affordable for families can increase mothers' workforce participation, resulting in a boost to the state's economy.<sup>17</sup>

In Minnesota, if child care costs did not exceed more than 10 percent of a family's income, the state's economy would increase nearly \$48.33 million.<sup>18</sup>

### We can do better for Minnesota families

The Center for American Progress proposes two solutions to put high-quality child care and preschool within reach for Minnesota families and create an early childhood learning continuum for children:

- A new High-Quality Child Care Tax Credit would help families afford high-quality care for their children. This tax credit would benefit an estimated 85,900 children in Minnesota<sup>19</sup> and save families an average of \$10,793 per year on child care costs.<sup>20</sup>
- Voluntary universal preschool for all 3- and 4-year-olds.<sup>21</sup> This would increase access for 145,400 children in Minnesota.<sup>22</sup>

*Jessica Troe is the Policy and Outreach Coordinator for the Early Childhood Policy team at the Center for American Progress.*

**\*Correction, July 19, 2017:** This fact sheet has been updated to clarify that the second pie chart refers to state-specific data.

### Cost of child care as a share of income for people of color<sup>10</sup>

American Indian	70%
Asian and Pacific Islander	38%
African American	83%
Latino	66%

### Cost of child care as a share of income for low-income families<sup>11</sup>

100 percent of the federal poverty level	105%
150 percent of the federal poverty level	70%
200 percent of the federal poverty level	53%

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## Endnotes

- 1 Julia B. Isaacs, "Impacts of Early Childhood Programs" (Washington: First Focus and Brookings Institution, 2008), available at [http://www.brookings.edu/~media/Research/Papers/2008/9/early-programs-isaacs/09\\_early\\_programs\\_isaacs.PDF](http://www.brookings.edu/~media/Research/Papers/2008/9/early-programs-isaacs/09_early_programs_isaacs.PDF).
- 2 National Center for Education Statistics, "Early Childhood Longitudinal Program (ECLS): Birth Cohort (ECLS-B)," available at <https://nces.ed.gov/ecls/birth.asp> (last accessed April 2016).
- 3 Jennifer Erickson, ed., "The Middle Class Squeeze" (Washington: Center for American Progress, 2014), available at <https://www.americanprogress.org/issues/economy/report/2014/09/24/96903/the-middle-class-squeeze/>.
- 4 Bureau of the Census, "Current Population Survey, Annual Social and Economic Supplement, 2015," available at <http://www.census.gov/cps/data/cpstablecreator.html> (last accessed April 2016).
- 5 Bureau of the Census American FactFinder, "Table GCT2302: Percent of Children Under 6 Years Old with All Parents in the Labor Force - United States -- States; and Puerto Rico, Universe: Own children under 6 years in families and subfamilies, 2010-2014 American Community Survey 5-Year Estimates," available at [http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_14\\_5YR\\_GCT2302.US01PR&prodType=table](http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_GCT2302.US01PR&prodType=table) (last accessed April 2016).
- 6 Allison Friedman-Krauss, W. Steven Barnett, and Milagros Nores, "How Much Can High-Quality Universal Pre-K Reduce Achievement Gaps?" (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/education/report/2016/04/05/132750/how-much-can-high-quality-universal-pre-k-reduce-achievement-gaps/>.
- 7 National Center for Children in Poverty, "50 State Data: Income Levels of children under age 6," available at <http://www.nccp.org/tools/table.php?db=dem&data=per&state=&ids=1&states=&title=50-State%20Data&age=6&unit=Children&inc=Low-Income&denom=char&cat=1> (last accessed April 2016).
- 8 Kids Count Data Center, "Child Population By Race And Age Group," available at <http://datacenter.kidscount.org/data/tables/8446-child-population-by-race-and-age-group?loc=1&loct=2#detailed/2/2-52/false/869/68,69,67,12,70,66,71|62/17078> (last accessed April 2016).
- 9 Author's analysis based on data from Child Care Aware of America, "Parents and the High Cost of Child Care: 2015 Report" (2015), available at <http://usa.childcareaware.org/wp-content/uploads/2016/03/Parents-and-the-High-Cost-of-Child-Care-2015-FINAL.pdf>.
- 10 Author's analysis based on data from *ibid.* and the 2014 U.S. median income as measured by Kids Count Data Center. See Kids Count Data Center, "Median Family Income Among Households With Children," available at <http://datacenter.kidscount.org/data/tables/65-median-family-income-among-households-with-children?loc=1&loct=2#detailed/2/2-52/false/869,36,868,867,133/any/365> (last accessed April 2016).
- 11 Author's analysis based on data from Child Care Aware of America, "Parents and the High Cost of Child Care" and the 2014 median income as measured by Kids Count Data Center. See Kids Count Data Center, "Median Family Income Among Households With Children By Race And Ethnicity," available at <http://datacenter.kidscount.org/data/tables/8782-median-family-income-among-households-with-children-by-race-and-ethnicity?loc=1&loct=1#detailed/2/2-52/false/36/4038,4040,4039,2638,2597,4758,1353/17618> (last accessed April 2016).
- 12 Office of Child Care, "Investments in Early Childhood," April 12, 2016, available at <http://www.acf.hhs.gov/programs/occ/investments-in-early-childhood>.
- 13 Office of Child Care, "FY 2014 Preliminary Data Table 1 - Average Monthly Adjusted Number of Families and Children Served," May 26, 2015, available at <http://www.acf.hhs.gov/programs/occ/resource/fy-2014-preliminary-data-table-1>.
- 14 Office of Child Care, "FY 2014 Preliminary Data Table 3 - Average Monthly Percentages of Children Served by Types of Care," August 13, 2015, available at <http://www.acf.hhs.gov/programs/occ/resource/fy-2014-preliminary-data-table-3>.
- 15 W. Steven Barnett and others, "The State of Preschool 2015: State Preschool Yearbook" (New Brunswick, NJ: National Institute for Early Education Research, 2016), available at <http://nieer.org/sites/nieer/files/2015%20Yearbook.pdf>. In states that do not serve 3-year-olds or with no preschool program, enrollment rates include federal Head Start only.
- 16 *Ibid.*
- 17 Josh Bivens and others, "It's time for an ambitious national investment in America's children" (Washington: Economic Policy Institute, 2016), available at <http://www.epi.org/publication/its-time-for-an-ambitious-national-investment-in-americas-children/>.
- 18 *Ibid.*
- 19 Bureau of the Census, "Current Population Survey, Annual Social and Economic Supplement, 2015."
- 20 Katie Hamm and Carmel Martin, "A New Vision for Child Care in the United States" (Washington: Center for American Progress, 2015), available at <https://www.americanprogress.org/issues/early-childhood/report/2015/09/02/119944/a-new-vision-for-child-care-in-the-united-states-3/>.
- 21 For a full description of CAP's universal preschool proposal, see Cynthia Brown and others, "Investing in Our Children" (Washington: Center for American Progress, 2013), available at <https://www.americanprogress.org/issues/education/report/2013/02/07/52071/investing-in-our-children/>.
- 22 Author's calculations based on data from Bureau of the Census, "Current Population Survey, Annual Social and Economic Supplement, 2015," available at <http://www.census.gov/cps/data/cpstablecreator.html> (last accessed April 2016) and W. Steven Barnett and others, "The State of Preschool 2015: State Preschool Yearbook" (New Brunswick, NJ: National Institute for Early Education Research, 2016), available at <http://nieer.org/sites/nieer/files/2015%20Yearbook.pdf>.