



# Early Learning in Indiana: 2017

July 2017

Indiana 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.

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

Indiana has 479,259 children under age 6,<sup>4</sup> 67 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> Thirty-six percent of Indiana children under age 6 live in low-income families.<sup>7</sup>

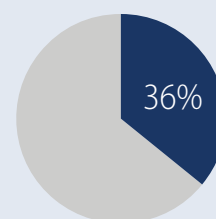
The supply of high-quality child care is limited. Many states have implemented quality rating and improvement systems (QRIS) to assess and support quality in early care and education programs. Currently, 92 percent<sup>8</sup> of Indiana child care centers participate in QRIS.<sup>9</sup>

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

Annual costs at a child care center in Indiana average \$15,697 for an infant and a 4-year-old,<sup>11</sup> which is 26 percent of the median income for families with children.<sup>12</sup>

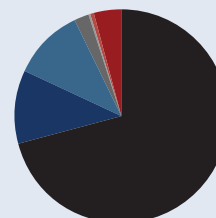
For low-income families and people of color, the average cost of child care would constitute the majority of income in most cases.<sup>13</sup>

### 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>10</sup>



71% ■ White  
11% ■ African American  
11% ■ Latino  
2% ■ Asian  
<.5% ■ American Indian and Alaska Native  
<.5% ■ Native Hawaiian and Other Pacific Islander  
4% ■ Two or more races

28 percent of Indiana's children under age 5 are children of color.

### The current child care system is failing Indiana families

On average, the Child Care and Development Block Grant (CCDBG) serves only 9 percent of federally eligible children in Indiana.<sup>14</sup> This results in only 34,800 Indiana children served through CCDBG funds.<sup>15</sup> Of those served, 61 percent attend licensed or regulated center-based care.<sup>16</sup>

### Indiana families need greater access to high-quality preschool programs

Indiana recently launched two state-funded preschool pilot programs: the On My Way Pre-K program and the Early Education Matching Grant. Both programs serve eligible low-income 4-year-olds through public schools and licensed or registered child care providers with a QRIS rating of level three or four.<sup>17</sup> This preschool program meets, on average, 3 quality benchmarks set by the National Institute for Early Education Research and spends \$6,594 annually per student.<sup>18</sup>

In Indiana, 7 percent<sup>19</sup> of 3-year-olds and 10 percent of 4-year-olds are enrolled in a public preschool program.<sup>20</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>21</sup>

In Indiana, if child care costs did not exceed more than 10 percent of a family's income, the state's economy would increase nearly \$39.48 million.<sup>22</sup>

### We can do better for Indiana families

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

- If child care costs are capped at 10 percent of a family's income, Indiana families would save \$2,839 a year.<sup>23</sup>
- Voluntary universal preschool for all 3- and 4-year-olds.<sup>24</sup> This would increase access for 175,800 children in Indiana.<sup>25</sup>

### Cost of child care as a share of income for people of color<sup>12</sup>

American Indian	N/A
Asian and Pacific Islander	21%
African American	54%
Latino	43%

### Cost of child care as a share of income for low-income families<sup>13</sup>

100 percent of the federal poverty level	64%
150 percent of the federal poverty level	43%
200 percent of the federal poverty level	32%

## Endnotes

- 1 Julia B. Isaacs, "Impacts of Early Childhood Programs" (Washington: First Focus and Brookings Institution, 2008), available at [https://www.brookings.edu/wp-content/uploads/2016/06/09\\_early\\_programs\\_isaacs.pdf](https://www.brookings.edu/wp-content/uploads/2016/06/09_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 2017).
- 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, 2016," available at <http://www.census.gov/cps/data/cpstablecreator.html> (last accessed April 2017).
- 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, 2011-2015 American Community Survey 5-Year Estimates," available at [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_14\\_5YR\\_GCT2302.US01PR&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_GCT2302.US01PR&prodType=table) (last accessed April 2017).
- 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=32,33&states=&title=50-State%20Data&age=18&unit=Children&inc=Low-Income&denom=inc&cat=5> (last accessed April 2017).
- 8 Note: IL, NH, and OK require participation in QRIS or it's required by licensing standards, and therefore participation is listed as 100 percent. FL has three regional QRIS with available data: MD is Miami-Dade County, PB is Palm Beach County, and D is Duval County.
- 9 Simon Workman, "QRIS 101: Fact Sheet" (Washington: Center for American Progress, 2017), available at <https://www.americanprogress.org/issues/early-childhood/reports/2017/05/11/432149/qr-101-fact-sheet/>.
- 10 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/869/68,69,71,70,66,71|62/17078> (last accessed April 2017).
- 11 Author's analysis based on data from Child Care Aware of America, "Parents and the High Cost of Child Care: 2016 Report" (2016), available at <http://www.usa.childcareaware.org/advocacy-public-policy/resources/reports-and-research/costofcare/>.
- 12 Author's analysis based on data from *ibid.* and the 2015 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=1#detail/2/2-52/false/573/any/365> (last accessed April 2017).
- 13 Author's analysis based on data from Child Care Aware of America, "Parents and the High Cost of Child Care" and the 2015 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 2017).
- 14 Office of Child Care, "Investments in Early Childhood," April 12, 2016, available at <http://www.acf.hhs.gov/programs/occ/investments-in-early-childhood>.
- 15 Office of Child Care, "FY 2014 Preliminary Data Table 1 - Average Monthly Adjusted Number of Families and Children Served," November 1, 2016, available at <https://www.acf.hhs.gov/occ/resource/fy-2015-preliminary-data-table-1>.
- 16 Office of Child Care, "FY 2014 Preliminary Data Table 3 - Average Monthly Percentages of Children Served by Types of Care," November 1, 2016, available at <https://www.acf.hhs.gov/occ/resource/fy-2015-preliminary-data-table-3>.
- 17 W. Steven Barnett and others, "The State of Preschool 2016: State Preschool Yearbook" (New Brunswick, NJ: National Institute for Early Education Research, 2017), available at <http://nieer.org/state-preschool-yearbooks/yearbook2016>. In states that do not serve 3-year-olds or with no preschool program, enrollment rates include federal Head Start only.
- 18 *Ibid.*
- 19 Note: In states that do not serve 3-year-olds or with no state-funded preschool program, enrollment rates include federal Head Start only.
- 20 Barnett and others, "The State of Preschool 2016."
- 21 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/>.
- 22 *Ibid.*
- 23 Author's analysis based on data from Child Care Aware of America, "Parents and the High Cost of Child Care" and the 2015 U.S. median income as measured by Kids Count Data Center. See Kids Count Data Center, "Median Family Income Among Households With Children."
- 24 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/>.
- 25 Author's calculations based on state preschool and Head Start enrollment from Barnett and others, "The State of Preschool 2016" and population estimates from Bureau of the Census, "Current Population Survey, Annual Social and Economic Supplement, 2016."