

#### **2024 STATE FACT SHEET**

## CHILD CARE & EARLY LEARNING IN WISCONSIN

# In Wisconsin, federal and state early learning opportunities serve more than 82,988 children and families,<sup>1</sup> or 21% of children ages 5 and under.<sup>2</sup>

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

Unfortunately, the demand for quality care far outweighs the supply, so many families struggle to access and afford the care options they want or need. While there are several federally funded programs that provide working families with access to 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.<sup>3</sup>

Below is a list of existing child care and early learning programs which together form a mix 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 CHILD CARE IN WISCONSIN

#### 390.220

Children 5 & Under<sup>4</sup>

#### 71%

Children 5 & Under with All Available Parents in the Workforce<sup>5</sup>

#### 2,208

Licensed Child Care Centers in 2023 (+5 compared to 2022)<sup>6</sup>

#### 2,057

Licensed Family Child Care Homes in 2023 (+46 compared to 2022)<sup>7</sup>

#### 41%

Gap in the Supply of Child Care vs. the Potential Need<sup>8</sup>

#### \$1.9B

Estimated Economic Impact of Infant-Toddler Child Care Challenges Each Year<sup>9</sup>

#### \$13.572

Annual Price of Center-Based Infant Care (\$1,131 per month)<sup>10</sup>

#### \$10,400

Annual Price of Home-Based Infant Care (\$867 per month)<sup>11</sup>

#### \$121,406

Median Income of Married-Couple Family<sup>12</sup>

#### 11.2%

Portion of Income Spent by a Married-Couple Family on Center-Based Infant Care<sup>13</sup>

#### \$37,580

Median Income of Single-Parent Family<sup>14</sup>

#### 36.1%

Portion of Income Spent by a Single-Parent Family on Center-Based Infant Care<sup>15</sup>

## CHILD CARE & DEVELOPMENT BLOCK GRANT (CCDBG)

118,900 CHILDREN 5 & UNDER ELIGIBLE<sup>16</sup> 11,189 CHILDREN 5 & UNDER SERVED<sup>17</sup>



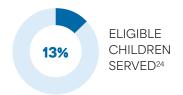
#### HEAD START

28,178 CHILDREN ELIGIBLE<sup>19</sup> 9,351 CHILDREN ENROLLED<sup>20</sup>



#### EARLY HEAD START

28,178 CHILDREN ELIGIBLE<sup>22</sup> 3,544 CHILDREN ENROLLED<sup>23</sup>



#### STATE-FUNDED PRE-K 41,071 CHILDREN ENROLLED<sup>25</sup>



#### MIGRANT AND SEASONAL HEAD START

1,630 CHILDREN ENROLLED<sup>27</sup>

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

2,305 FAMILIES SERVED28

#### IDEA PART C

(EARLY INTERVENTION) 6,376 CHILDREN SERVED<sup>29</sup>

#### DEA PART B, SEC. 619

(PRESCHOOL SPECIAL EDUCATION)
9,152 CHILDREN SERVED30

WISCONSIN:
FEDERAL
AND STATE
CHILD CARE
AND EARLY
LEARNING
FUNDING

\$183.3M CCDBG and Mandatory Funds<sup>31</sup>

\$169.7M Head Start and Early Head Start<sup>32</sup> (includes AIAN HS/EHS when applicable)

**\$0** PDG B-5<sup>33</sup>

\$9.9M MIECHV34

\$8.5M IDEA Part C35

**\$10.4M** IDEA Part B, Sec. 619<sup>36</sup>

\$103.9M TANF Early Care and Education<sup>37</sup>

**\$62.6M** TANF Transferred to CCDBG<sup>38</sup>

#### STATE INVESTMENT

\$172M State-Funded Pre-K<sup>39</sup>

\$23.4M CCDBG State Match<sup>40</sup>

N/A PDG B-5 State Match41

#### **ELEMENTS OF PROGRAM QUALITY**

Program quality varies substantially within and across states.

Quality child care and early learning programs rely on a strong workforce, but low pay makes it difficult to recruit and retain educators. In Wisconsin, child care workers earn \$13.78 per hour (\$28,660 annually).<sup>42</sup>

Teacher-child ratios are crucial for ensuring safety, quality, and individual attention. Licensed center-based care providers participating in CCDBG are required to have the following ratios:<sup>43</sup>

• Infant 1:4

• Toddler 1:4

• Preschool 1:6 for ages 2-2.5, 1:8 for ages 2.5-3, 1:10 for ages 3-4, 1:13 for ages 4-5

The state's pre-K program met **2/10 of NIEER's Quality Standards Benchmarks**, which represent minimum standards to support quality preschool programs.<sup>44</sup>

Preschool Development Grant Birth Through Five (PDG B-5) is a competitive federal grant designed to improve states' early childhood systems. **Wisconsin's PDG B-5** accomplishments include:<sup>45</sup>

- Improved the Universal Prekindergarten program's state-level coordination of interagency monitoring and increase the state's capacity to monitor and support these programs.
- Formed the Parent/Caregiver Equity Advisory Cabinet to ensure family perspectives are included in the development of early childhood programs, policies, and services.

#### CHILD AND DEPENDENT CARE TAX CREDIT (CDCTC)

The Child and Dependent Care Tax Credit (CDCTC) directly helps working parents offset the cost of child care.

In its current form, the credit only reaches a small percentage of families and has been swiftly outpaced by the escalating cost of child care as it lacks any adjustment for inflation.

Last permanently updated in 2001, the current credit averages \$500-\$600 a year.<sup>46</sup>

#### **CDCTC IN WISCONSIN BY TAX YEAR**

2020

- 91,580: Number of taxpayers claiming the CDCTC<sup>47</sup>
- \$497: Average credit

2021

The CDCTC was temporarily expanded and made refundable for one year in response to the pandemic.

- 106,060: Number of taxpayers claiming the CDCTC<sup>48</sup> (an additional 14.480 from 2020)
- \$2,061: Average Credit (an additional \$1,564 from 2020, on average)

TODAY

The temporary expansion expired; the CDCTC reverted back to 2001 levels.

• \$500-600: Average credit

NOTE: Major provisions of the Tax Cuts and Jobs Act of 2017 (TCJA) expire at the end of 2025<sup>49</sup>, giving Congress the opportunity to modernize the CDCTC and other tax provisions to better help working families offset the cost of quality child care.<sup>50</sup>



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