

Illinois Early Childhood Landscape: Executive Summary



by Lily Padula

Illinois' early childhood system plays a central role in supporting children's learning, development, well-being, and family stability from birth to age five. Each year, the State administers nearly \$3 billion in federal, state, and local resources across preschool, child care assistance, early intervention services, home visiting, behavioral health, and other early childhood services. Despite significant investment and recent policy momentum, the system continues to face persistent gaps in access, workforce instability, rising costs, and longstanding inequities. As Illinois transitions to the new Department of Early Childhood (IDEC), understanding these underlying conditions is essential to shaping a more coordinated, responsive, and equitable statewide system.

This report provides a data-driven overview of the early childhood landscape in Illinois. It examines demographic and socioeconomic conditions, governance and organizational structures, funding trends, program access, workforce capacity, quality indicators, family experiences, and outcomes. The goal is not to make policy recommendations, but rather to provide a comprehensive baseline of information to inform future discussions about Illinois' early childhood system.

Illinois' **demographic and socioeconomic trends** reveal both declining populations and rising needs. The number of children under age five in Illinois has declined by more than 107,000 since 2013, with the sharpest decline occurring in rural counties. Yet poverty levels remain high; more than one-third of young children live below 200% of the federal poverty level, and English Learner populations remain concentrated in Cook County, university communities, and growing suburban areas. Disability identification also varies significantly across regions and racial groups. These patterns mean that even as the number of young children shrinks, the intensity of need is rising, increasing demand for developmental supports, bilingual services, and accessible, affordable child care.

At the same time, many **families experience instability** that disrupts access to early childhood programs. Frequent residential moves force families to navigate new providers, new eligibility rules, and new documentation requirements. For programs like the Child Care Assistance Program (CCAP), Early Intervention, and preschool special education, these transitions often result in delays or temporary disruption of services. Because Illinois' early childhood system has long been spread across multiple agencies with separate processes, mobility magnifies fragmentation and reduces continuity for the children who most need stable support.

Illinois' **early childhood funding structure** reflects rising investment in recent years but persistent structural challenges. State-administered funding for early childhood has grown from \$1.75 billion in FY2021 to \$2.44 billion in FY2025, driven by the Early Childhood Block Grant, Smart Start Illinois, and increased state match requirements. When federal Direct Head Start dollars are included, the total system approaches \$3 billion annually. Yet funding remains insufficient to match the true cost of quality care. Reimbursement rates in the Child Care Assistance Program fall far below market tuition, and the Early Intervention program continues to face workforce shortages and timeliness challenges. The expiration of pandemic-era federal relief further heightens sustainability concerns, especially for providers who relied on one-time funding to offset operating losses, supplement staff wages, and keep classrooms open during periods of reduced enrollment and staffing shortages. These pressures could be compounded by potential federal policy

changes, including the recently announced plan by the Trump administration to freeze child care subsidy funding, which would further constrain Illinois' fiscal flexibility and increase reliance on state resources. Complex, overlapping funding streams also impose substantial administrative burden on providers who must braid and reconcile multiple grants, timelines, and reporting requirements.

Access and capacity remain among the system's greatest challenges. In 2023, licensed providers could serve only 31.7% of Illinois children ages 0–5, and just 21% of infants and toddlers. Nearly three-quarters of Illinois counties meet the federal definition of a child care desert, with particularly acute shortages in rural areas. Over the past decade, Illinois has lost more than 4,300 providers and 38,000 licensed slots, reflecting financial strain, low compensation, and persistent staffing shortages. These supply constraints limit participation across programs.

Underlying many of these challenges is a workforce crisis. Illinois' **early childhood workforce** of more than 80,000 is essential to program quality and access but remains chronically underpaid. Average wages in licensed settings remain well below a living wage and far below salaries for comparable K–12 roles. Low compensation drives high turnover, vacant classrooms, reduced capacity, and service delays. Providers operate on thin margins and face significant financial instability, making it difficult to raise wages or expand services without sustained investment.

Quality and standards are also shaped by system fragmentation. Illinois maintains strong licensing and system frameworks to measure quality, but these systems operate in silos with no unified data structure. As a result, statewide visibility into quality, equity, and workforce qualifications remains limited. Families, meanwhile, navigate multiple portals, separate eligibility determinations, duplicative paperwork, and inconsistent communication across programs. Families experiencing poverty, limited English proficiency, disability needs, or housing instability face the steepest barriers and the greatest risk of losing services during transitions, even when their children remain eligible.

Child outcomes reflect both progress and persistent inequities. Kindergarten readiness has continued a gradual upward trend over time, including following pandemic-related disruptions, yet fewer than one-third of children meet readiness benchmarks across all domains, and disparities remain wide by race, income, disability status, and language status. Early differences at kindergarten entry often widen by third grade. Health burdens add further strain, particularly in high-poverty and historically disinvested communities.

Equity remains a central challenge in Illinois' early childhood system. Disparities in access, quality, and outcomes persist across race, income, geography, language, and disability status, driven by structural factors including chronic underfunding, workforce instability, fragmented governance, and uneven provider capacity. As Illinois transitions to the new Department of Early Childhood, this equity baseline provides a critical lens for assessing whether system reforms meaningfully improve access and outcomes for children and families facing the greatest barriers.

Illinois is at a pivotal moment. The creation of the Department of Early Childhood represents a historic step toward a more unified and equitable system, but the challenges identified in this report underscore the complexity of the work ahead. This baseline landscape report offers a clear, data-driven foundation for evaluating progress and guiding decisions as the State works to build a more coherent, equitable, and high-quality early childhood system for all Illinois children and families.

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