

2027 Child Care Funding & Stabilization

Key Facts & Data

\$4.22B

Annual economic loss to Indiana
Indiana Chamber of Commerce

33,447

Children on the CCDF waitlist, June 2026
FSSA Dashboard, 8.17.26

30%

...of Hoosier children can be served through high-quality capacity.
Early Learning Indiana

\$8,000

... is the annual cost of care for one child, nearly equal to a year of in-state tuition at an Indiana college.
Early Learning Indiana

57

...of Indiana's 92 counties can serve fewer than half the children in need of care.
Early Learning Indiana

"By acting now, Indiana can ensure affordable, high-quality care for families, sustainable programs for providers, and a stable workforce for employers."



THE ASK

Reopen CCDF/OMWPK voucher enrollment and commit long-term, sustainable state funding in the 2027 budget — including reimbursement rates that reflect the true cost of care — so Marion County families, providers, and employers aren't left facing another funding cliff.

Federal COVID-era child care relief expired in 2024–25, opening a **\$225 million shortfall** in Indiana. The state responded by freezing new CCDF enrollments, cutting provider reimbursement rates, reducing On My Way Pre-K capacity, and eliminating regional support networks. A \$200 million FROG Fund investment in 2026 moved roughly 14,000 Indiana children off the waitlist, but it's a short-term bridge, not a fix — **child care access in Marion County has not recovered**. Providers keep closing classrooms, and in some cases entire programs, while eligible children remain on the waitlist and subsidy usage keeps falling even as need keeps growing. The result is a workforce and economic problem as much as a family one: parents leave or cut back on jobs when care falls through, and employers report real disruption. Left unaddressed, continued instability means more closures, longer waitlists, and deeper economic losses for Marion County and the state.

CRISIS TIMELINE

2020–23

\$1B+ COVID relief expands access, cuts waitlists.

2024–25

Aid expires; \$225M shortfall. Enrollment frozen, rates cut.

2026

\$200M FROG Fund moves ~14K children off waitlist, statewide.

2027 Opportunity

The 2027 budget cycle is a chance to move Indiana from crisis response to long-term child care stability.

LOCAL SUPPLY & DEMAND

Marion County Statistics, Brighter Futures Data Center, 8.17.26

57,714

Estimated children under age 6 who may need care

28,095

Estimated school-age children who may need care

49,509

Total children able to be served by licensed capacity

>60%

of employers report child care-related workforce disruptions, and **1 in 4 parents** say child care issues have affected their employment.

Indy Chamber, 2024

POLICY RECOMMENDATIONS

- 1 **Reopen voucher enrollment** — fund CCDF and OMWPK to move the remaining 20,000+ children off the waitlist.
- 2 **Stabilize provider payments** — set reimbursement rates to reflect the true cost of care, informed by FSSA's 2027 cost-of-care survey.
- 3 **Strengthen the workforce** — invest in wage supports, tuition assistance, and career pathways.
- 4 **Expand affordable supply** — support family child care homes, employer partnerships, and community-based providers.

Marion County Commission on Youth

MCCOY is a non-partisan and independent non-profit organization that champions the positive development of youth through leadership on key issues and support of the youth development professional community. MCCOY serves as an advocate on behalf of youth policy, promoting positive practices and effective policies by:

- Educating leaders and community members about key youth development issues
- Supporting formal and informal policies that provide young people with the opportunities they need to succeed
- Consulting and empowering young people to be advocates for their own community goals

PUBLIC POLICY PRIORITIES

Youth Well-Being

All youth should be safe, nurtured, and free from abuse, neglect, and violence through coordinated community efforts.

Youth Engagement

All youth should be empowered to formulate and share their opinions, and be part of decisions that affect them.

Student Success

All youth in Indiana have the right to an equitable, quality education, and to graduate and succeed.

Quality Youth Programs

All youth programs should adhere to quality and best-practice standards to best serve Indiana's young people.

Youth Worker Professional Development

All professionals working with youth should have access to continuing education and professional development with quality standards and credentialing.

ADVOCACY IN ACTION

Advocacy Resources

Tools and guidance for engaging in youth policy



Youth Day at the Statehouse

Bringing youth voice directly to legislators



Statehouse Sound-Off

Legislative session updates from MCCOY



Coalitions

Statewide partners advancing shared policy goals



Your Vote. Their Future.

Your one-stop voter guide for everything you need to participate in elections in Indiana



mccoyouth.org/advocacy/advocacy-resources

Our role as advocates.

As a leading intermediary organization, MCCOY connects partners, strengthens youth-serving organizations, elevates youth voice, and advocates for policies that support the well-being of young people and families.

OUR ADVOCACY TEAM

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30+

Years MCCOY has worked to improve outcomes for children, youth, and families across Marion County.



We champion the positive development of youth through community and systems change.

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