

**Summary of FY 2025 and 2026 Consensus Agreement
for Child Development and Care Caseloads and Costs
May 16, 2025**

*May 2025 Consensus Expenditure Estimates Agreed to by
the State Budget Office, the House Fiscal Agency, and the Senate Fiscal Agency*

Department of Lifelong Education, Advancement, and Potential Estimate for Child Development and Care			
	Current Law	Proposed May 2025 Consensus Estimate	Difference from Current Law
Fiscal Year 2025 Total	\$499,035,800	\$511,344,000	\$12,308,200
Fiscal Year 2026 Total		\$543,312,000	\$44,276,200

For FY 25:

- **CASES:** The state has fully recovered from the pandemic, we expect caseloads to trend upwards from 23,562 to 26,800 in FY 24, a 13.7% increase.
- **Cost per Case:** We estimate that the costs per case will increase from the FY 25 budget, rising from \$1,412.42 in FY 24 to \$1,590 in FY 25, representing a 12.6% increase. However, there was a 15% rate increase for all children in the program. Therefore, if cost per case was 15% we would say it is holding steady with where it was in FY 24. Since it is lower than this, it means this is actually a case of costs decreasing somewhat.
- **Overall,** the FY 25 CREC proposal shows an increase of \$12.3 million over the enacted FY 25 budget. Essentially, the cases are increasing based on both recent policy revisions and a trend back to pre-2020 program levels.

For FY 26:

- **CASES:** We expect caseloads to trend upwards from 26,800 to 29,400 in FY 25, a 9.7% increase.
- **Cost per Case:** We estimate that the cost per case will decrease slightly from \$1,590 in FY 25 to \$1,540 in FY 26, a decrease of -3.1%.
- **Overall,** the CREC proposal shows an increase of \$44.3 million from FY 25. Essentially, cases will increase based on both recent policy revisions and a trend back to pre-pandemic program levels while costs will slightly decrease.

Child Development and Care Caseloads and Costs History				
Year	Cases	\$/Case	Total \$/month	Total \$/yr
FY 2018-19	19,536	\$802.81	\$15,683,949	\$188,207,291
FY 2019-20	18,799	\$874.20	\$16,416,209	\$196,994,509
FY 2020-21	13,976	\$1,302.00	\$18,196,288	\$218,355,451
FY 2021-22	15,766	\$1,699.09	\$26,787,852	\$321,454,235
FY 2022-23	20,306	\$1,785.00	\$36,600,000	\$439,200,000
FY 2023-24	23,562	\$1,409.10	\$33,278,823	\$398,414,016
FY 2024-25 Est.	26,800	\$1,590.00	\$42,612,000	\$511,344,000
FY 2025-26 Est.	29,400	\$1,540.00	\$45,276,000	\$543,312,000

