

Engaging Kentucky Employers & Communities in Child Care Solutions

Child Care Council of Kentucky
Community Coordinated Child Care (4-C)
EC LEARN

Economic Impact of Child Care Shortages

Prime-age workers
not looking for work
(PAW NLFW)

82% with children under 6
said they are out of the
workforce because of caring
for children full time

91% with children under age
2 said the same

PAW NLFW due to
caring for a child

50% cite child care access
as an issue

63% with children under 6
said the same

43% total said that child
care is too expensive

PAW NLFW due to
caring for a child

73% said trust in their child
care provider is very
important when considering
whether to enter or return to
the workforce

69% said the cost of care is
very important

Economic Impact of Child Care Shortages

The Current Condition*

An estimated 76,000+ Kentuckians are not working because of caring for children not in school or child care

This is the 3rd most common reason among all non-working adults behind retirement and sickness/disability

The Opportunity**

Kentucky's 2023 labor force participation rate among PAW was **79.2%**

The U.S. rate was 83.3%—a **4.1% gap**

Adding 30,000 PAWs would **cut this gap in half**, bringing Kentucky to 81.1%

The Challenge***

A September survey of Kentucky parents showed...

37% reduced their work hours due to child care concerns

30% have temporarily left the workforce due to child care concerns

*Census Household Pulse survey data, April-Sept. Average, <https://www.census.gov/programs-surveys/household-pulse-survey/data/tables.html#cycle4.0>

**U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics 2023, <https://www.bls.gov/lau/>

***Kentucky Youth Advocates "Survey on Child Care Access: Parents." September, 2024.

Economic Impact of Child Care Shortages

Today's Children*

In spring 2023, kindergarten ready students had a 3rd grade reading proficiency rate of 59.3% for the balance of the state (51.4% in JCPS).

For those not kindergarten ready, the BOS reading proficiency rate was less than half at 24.4% (23.2% in JCPS).

Tomorrow's Leaders**

Children who receive high-quality child care have better socio-economic & health-related outcomes as adults:

- Increased earnings
- Reduced crime rates
- Better physical health
- Lower public expenditures

*Kentucky Center for Statistics, "Supplementary Material for KYSTATS presentation to Effective and Efficient School District Governance Task Force."

<https://apps.legislature.ky.gov/CommitteeDocuments/385/31170/KY%20Stats%20-%20Taskforce%20Presentation%20Supplemental%20Charts%2010-7-2024.pdf>

**Child Care Aware of America, Quality Child Care Pays Off, <https://info.childcareaware.org/hubfs/Quality%20Child%20Care%20Pays%20Off%202019%20%20FINAL%20ONE-PAGER.pdf>

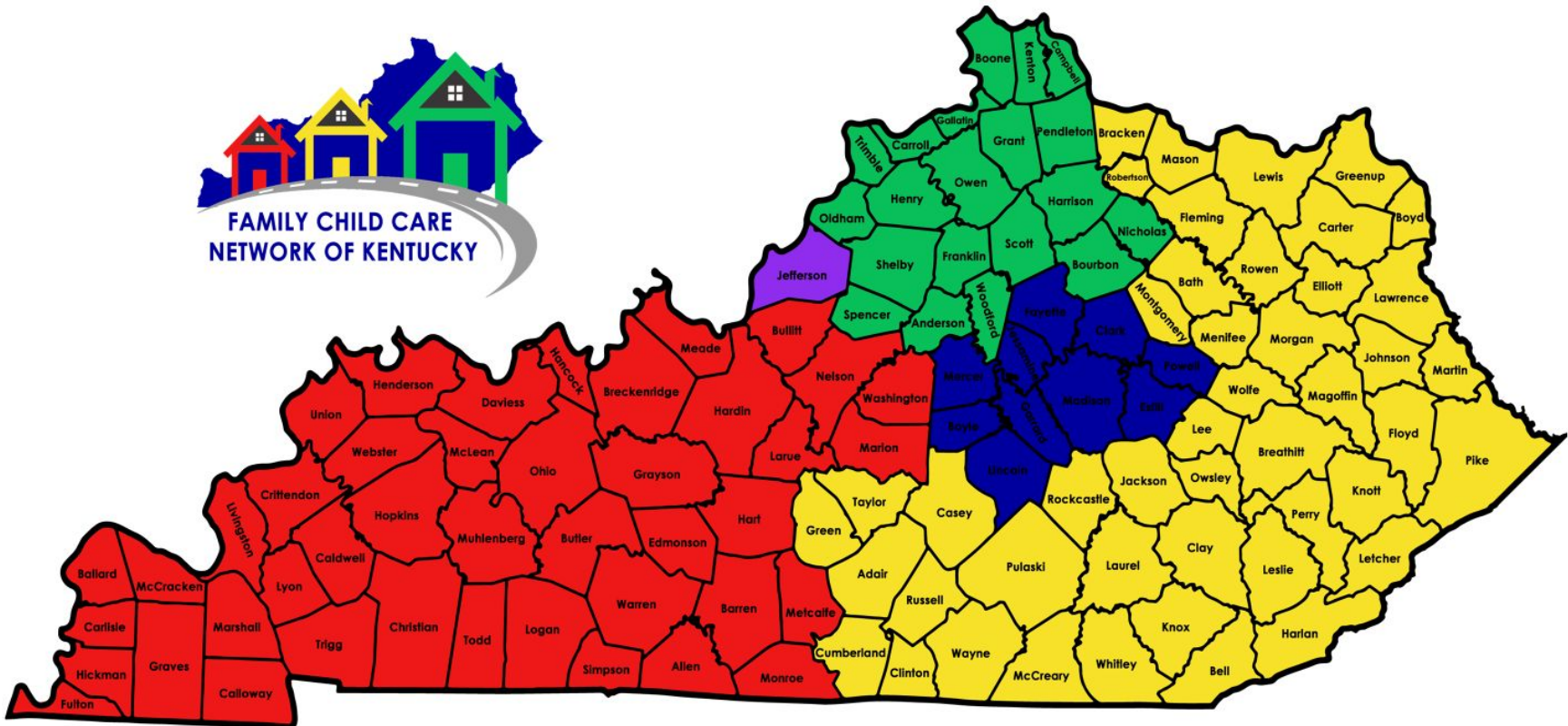
Local Child Care Resource and Referral



Collective Impact

Total Children/Families Served

5,505 providers x 8 children/provider = **44,040** children/families





Building partnerships with employers as the workforce behind the workforce



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Influencing Early Childhood Experiences

Empower

Engage

Elevate



CVG

CARES



1

Needs Assessment

2

Action Planning

Implementation

3

Child Care Infrastructure

4



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Influencing Early Childhood Experiences

Metro Louisville - Land Development Code Reform Successes (2023/24)

1 | More child care close to where families live

- Type II child care now allowed in residential neighborhoods - **two added, one providing 24 hour care**
- Child care centers now permitted on corner lots & existing buildings built for non-residential purposes—**10 centers approved with special standards**

2 | Fees reduced or eliminated

- Conditional Use Permits for Type II are now free
- Fee for centers caring for more than 12 children reduced from \$1,200 to \$500

3 | Hands-on support for permit processing

Child care providers now have support navigating zoning processes through 4-C and Louisville Metro's Planning and Design Services Department

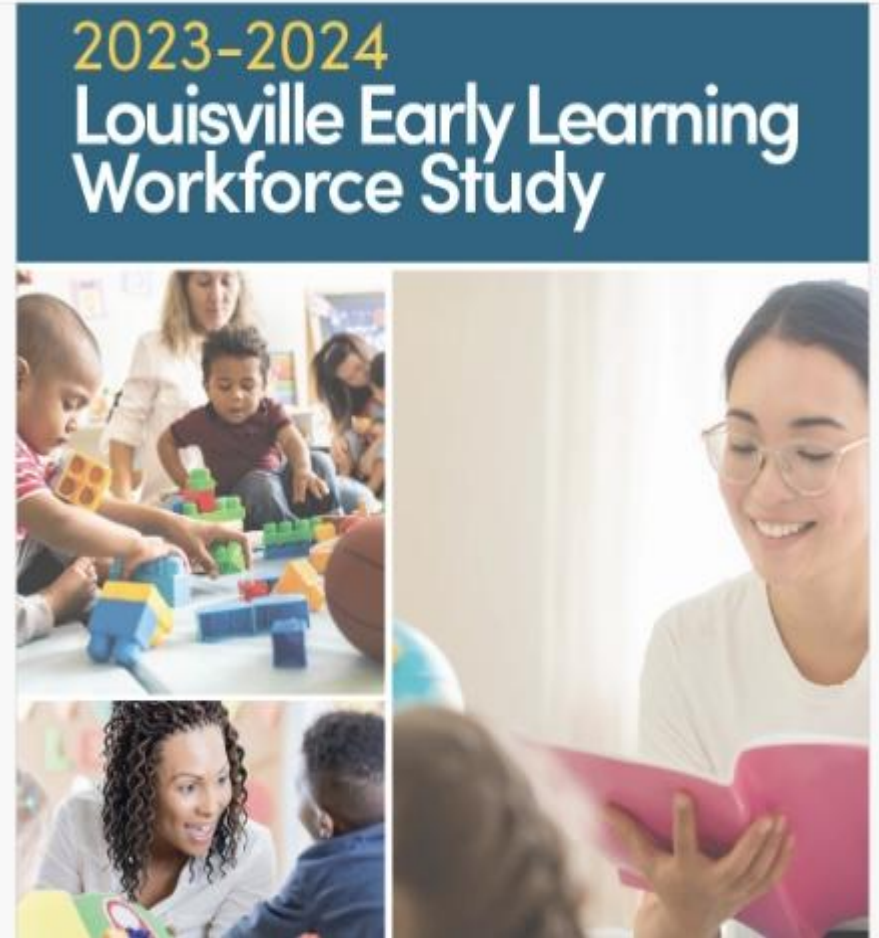
Directors report a desire to serve more children than staffing currently allows.

- Existing providers could serve an additional 11% of children birth to 5 with more staff.

Family child care providers, center teachers and center teacher assistants all have a median total family income of \$35,000-\$39,000.

How long will child care workers stay in the field?

- Teachers— 1 in 5 teachers will leave in the next three years
- Assistant Teachers—more than 1 in 4 will definitely or probably leave in three years
- Family Child Care Providers—1 in 10 will leave in three years



Recommendations

- **Unlock child care availability by sustaining Child Care Assistance Program (CCAP) support for child care employees**—Every child care educator who enters or stays in the field represents an average of eight seats for children. In Kentucky, they make a median wage of \$13.97/hour.*
- **Spur local solutions by resourcing community access-building collaborations (ex. HB 561)**—CCR&Rs provide critical sector expertise and family experience insights to inform local policy-making efforts.

*Child Care Aware of Kentucky, Human Development Institute, University of Kentucky, "Cost of Care in Kentucky: Part 2-2024 Kentucky Cost Model for Licensed Centers.
<https://www.childcareawareky.org/wp-content/uploads/2024/07/Cost-of-Care-in-Kentucky-Part-2-Cost-Model-2024.pdf>

Recommendations

- Accelerate participation in the Employee Child Care Assistance Partnership (HB 499) through dedicated recruitment efforts & employer administration supports
- Maximize Family Child Care Home Network employer & provider reach –CCR&Rs are strategically positioned to connect employers to child care partners & resources and poised to expand efforts.