

# INVEST IN EARLY CHILDHOOD EDUCATION AND CARE

Ensure child care is accessible and affordable for working families

## OPPORTUNITY TO IMPROVE THE BUSINESS CLIMATE

Child care is among the most consequential industries for our economic recovery— it is essential for businesses, families and the workforce of today and tomorrow. Kentucky Chamber Center for Policy and Research produced a report in August 2025 finding that expanding access to affordable child care could add 16,000 to 28,000 workers to Kentucky's labor force, generating an estimated \$599 million to \$1.1 billion in new wages and state tax revenues.

## APPROACH TO TACKLE THE ISSUE

High-quality, accessible child care and early childhood education are critical to workforce participation, building a more inclusive economy, and putting children on a pathway to future success.

Studies have proven that 90% of a child's brain development occurs before the age of 5. Ensuring access to high-quality early child care is critical to Kentucky's children getting a strong start.

A landmark study from 2016 calculated a return of \$7.30 for every dollar spent on high-quality early learning programs. These returns come in the form of higher earnings later in life, higher rates of employment, lower rates of drug use, and less incarceration.

## WHY DOES IT MATTER TO MY BUSINESS

Kentucky must invest in early childhood education. Established academic research and survey data show that increasing access to affordable child care gives more families options to join or rejoin the workforce.

Lack of Access to child care is a barrier that prevents many qualified individuals from entering or staying in the workforce. With gaps in access growing, there is no doubt that more Kentuckians will be forced to choose between participating in the workforce and taking care of their children.

## WHAT WE ARE ASKING AN ELECTED OFFICIAL TO DO

Maintain current funding the Child Care Assistance Program (CCAP) and the Employer Child Care Assistance Partnership (ECCAP) by modernize the CCAP provider reimbursement rate formula and outsource administrations of ECCAP through a performance-based contract strengthening each program.

Continue funding Early Childhood Development Scholarships and Child Care Assistance Program no cost eligibility for qualified child care teachers to make the child care business model more sustainable alleviating workforce challenges.

Find funding for the Certified Child Care Communities program, created in the 2024 Session, promoting participation and access to high-quality child care for more families in local communities.

Support a mixed delivery model for a healthy child care ecosystem having public, private, and families work together for children's success.