

READY LOUISIANA

INVEST IN EARLY EDUCATION

Ready Louisiana Coalition's Ask:

1. **Appropriate an additional \$115 million annually to expand access to high-quality early care and education for more in-need children by 2032**, as previously recommended by the bipartisan Louisiana Early Childhood Care and Education Commission to serve the approximate 100,000 in-need birth-to-three children in our State;
 - a. **While the Governor maintained the current ECE funding levels in his proposed executive budget, an achievement worth noting given the history of state investments in ECE, the Coalition maintains its ask to appropriate the funding necessary to provide access to quality early care and education to all of the children in need.**
2. **Appropriate at least \$31 million in one-time funds to the Louisiana Early Childhood Education Fund**, which matches local investments in early care and education dollar-for-dollar, to ensure the success of the program for another year and serve thousands of children in communities across the state; and
3. **Ensure that future Legislatures keep the dollar-for-dollar promise to local governments** by modifying the Louisiana Early Childhood Education Fund statute to require matching state appropriations made every year.

The Problem:

- **Two-thirds of Louisiana children have both their parents or their single parent in the workforce**, meaning they spend crucial brain development time in the care of others. Yet only [1 in 5](#) of in-need Louisiana children, birth through age three, can access a publicly funded, high-quality early care and education program.
- **Early care and education can cost as much as in-state college tuition.**
- **Over [50%](#) of babies in Louisiana** live in households with incomes less than 200% of the federal poverty line.
- As of December 2023, Louisiana had a waitlist of over 6,000 children for the Child Care Assistance Program (CCAP)¹. CCAP helps parents secure quality early care and education for their children while they work, go to school, or look for new jobs. These families are in every community and fill key roles in society. They may be your healthcare provider, teacher, retail clerk, sanitation worker, and more. These families are the backbone of our economy.

¹ Louisiana Department of Education, Dec 2023.

- Low-wage parents make difficult decisions about which necessities to pay for so they can afford care for their children while they work—including forgoing food or skipping utility bills.
- Right now, [only 30%](#) of Louisiana children arrive at kindergarten meeting critical benchmarks, meaning our teachers are immediately responsible for remediation with 70% of our children from day one.
- Child care centers are local businesses that operate on thin financial margins. When Louisiana is presented with external challenges—like a pandemic, a hurricane, or inflation—child care providers feel the pain acutely. Yet **our economy relies on these businesses to support working families and provide other businesses with access to a reliable workforce.**

Economic Case and Return on Investment:

- **Employee absences and turnover due to child care issues** cost Louisiana employers [\\$762 million](#) a year, causing a **\$1.3 billion loss annually** for our economy, according to economists at the University of Louisiana at Lafayette.
- A Nobel-prize winning economist has called early care and education **the best possible investment of public dollars.**
- **We need to invest in our youngest learners** so they can be prepared to succeed in school and in life, and so that their caretakers can go to work or school and contribute to our economy.
- Investing in early care and education can yield a [13% return on investment](#). Investing in early care and education:
 - Allows parents to go to work or school
 - Provides businesses with a reliable workforce
 - Provides stable child care options for families and supports early care and education providers, which are usually businesses owned and operated by women
 - Ensures children enter kindergarten ready to learn, reducing the likelihood the state will have to pay for remedial or special education efforts later in that child's life
 - Has long term health benefits for enrolled children
 - Reduces a child's likelihood of future involvement in criminal activity

Current State Funding for Early Care and Education in Louisiana:

- Louisiana spends around [1%](#) of its state budget on early care and education, despite early care and education being the area where we can earn the biggest return on investment.
- There are currently two state-run programs that focus on educating and caring for children, birth to age three, in Louisiana and both need more investment:
 - The Child Care Assistance Program, Birth to Three Program (CCAP/B-3), which gives low-income families a voucher so they can select a quality-rated child care

- program of their choice or matches low-income families to a community program with a publicly funded seat; and
- The Louisiana Early Childhood Education Fund (ECE Fund), which offers local entities a dollar-for-dollar match on investments in early care and education, and which is overseen by the Board of Elementary and Secondary Education.
 - CCAP/B-3 is primarily funded by federal money, but Louisiana has been increasing investment of state dollars in the program over the last several years. Louisiana currently serves approximately [16,400 children](#) ages 0-3 in CCAP/B-3. To serve more of the estimated 153,000 in-need children from ages 0-3 in Louisiana, increased investment in CCAP/B-3 is necessary.
 - The ECE Fund has several sources of revenue, including sports betting, but the rate of growth in the ECE Fund is slower than the rate of local investment. With communities in Ascension Parish, Jefferson Parish, the city of New Orleans, and the city of Shreveport investing local dollars in early care and education, and more local communities working on their own plans, the ECE Fund is anticipated to be exhausted within 1-2 years. To ensure the ECE Fund continues to keep its commitments and incentivizes local investment in the future, this Legislature must commit at least \$31 million in one-time dollars to the ECE Fund and require future legislatures to ensure matches are made year after year.
 - The ECE Fund encourages local communities to invest in their own families, allowing for greater access to early childhood seats which in turn sustains a more reliable workforce within their community.
 - Across Louisiana, hundreds of families have been able to find reliable high quality child care through the [ECE Fund](#), meaning hundreds of Louisiana families can confidently remain in their local workforce that neighborhood businesses heavily rely on.

About the Ready Louisiana Coalition:

The Ready Louisiana Coalition is a group of more than 150 chambers of commerce, businesses, advocacy groups, and civic organizations from across Louisiana. We believe investing in high-quality early care and education will prepare our students for a smart start in life, enable families to be productive in the workforce, and serve as an economic engine for local communities.