

# READY LOUISIANA

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## INVEST IN EARLY EDUCATION

### 2023 Ready Louisiana Coalition Talking Points - Updated May 12, 2023

#### Short 2023 Legislative Ask

- \$200 million sustains child care access for 16,000 children birth through four as a result of expiring one-time federal funds; and
- \$115 million expands access to high-quality early care and education for over 9,000 in-need children.

#### The Legislature must appropriate new funding for the Child Care Assistance Program this year.

- The original version of HB 1 included just under \$52 million in new funding for early care and education. While 16,000 child care seats will be lost statewide due to expiring federal funding, \$52 million would save approximately 4,000 of those seats.
- Working parents rely on child care to work. Louisiana currently has record low unemployment. Child care breakdowns already cost Louisiana \$1.3 billion a year—how much productivity will be lost when 16,000 seats are eliminated?
- Legislative leaders indicated that removing the \$52 million appropriation from HB 1 was not a cut because existing funding remains. This is a misunderstanding of current funding streams.
  - The state only invests \$36 million a year in the Child Care Assistance Program (CCAP).
  - The federal government provides an additional \$115 million a year in block grant funding, bringing total funding for CCAP to approximately \$150 million a year. This amount of money is enough to fund 12,000 seats for children, birth to three, every year.
  - During the pandemic, Louisiana also used one-time federal relief dollars and grant money to expand access and serve a record high of almost 29,000 children. This has helped Louisiana experience record-low unemployment over the last year.
  - Unless Louisiana replaces that federal relief money when it expires on July 1, the state will lose 16,000 seats and be back to serving approximately 12,000-13,000 children.
  - Replacing all 16,000 seats will cost \$200 million. The \$52 million that was cut from HB 1 would have saved approximately 4,000 seats for children birth to three.
  - House legislators insist current funding is sufficient to meet the needs of CCAP, but as of May 1, there are approximately 1,700 families on the CCAP waiting list. There are a total of 114,000 in-need children who need access, state-wide, so we must continue to increase investments until every child has access to early care and education.

#### Louisiana has the money to invest in children now—it must act.

- The state's revenue forecast for the next fiscal year is even higher than before, on top of Louisiana's current surplus. The time to invest in children, parents, and workforce is now.

#### *What do I say if a Legislator says there is money in the budget for early childhood?*

- Unless there is specific money in the budget to save the 16,000 child care seats funded by expiring federal funds, there is not enough money in the budget.

## **Business Case for Investment**

- Investing in early care and education has an immediate positive benefit on our workforce, on our businesses, and our state's economy. As more parents have been able to participate in the workforce, Louisiana has experienced record-low unemployment rates over the last year.
- Currently, Louisiana spends less than one percent of our state budget on early care and education. There is room for us to truly make children our priority and strengthen the Louisiana economy, which loses \$1.3 billion a year due to the impacts of child care breakdowns on working parents.
- Public investment in early childhood provides a greater return than any other time of life; Nobel Prize-winning economist James Heckman's recent research shows a return on investment (ROI) of up to 13%.
- Knowing that two-thirds of Louisiana children have both their parents or their single parent in the workforce, child care gives thousands of parents the support they need to be productive members of the workforce while choosing the high-quality early care and education programs that work best for their children.
- The families who access CCAP are a crucial part of the labor force and keep our economy running by working as nursing assistants, cashiers, elementary school teachers, sanitation workers, construction laborers, etc.
- People leave the workforce because of child care issues. We cannot afford for 16,000 child care seats to be lost. We cannot afford to disincentivize local investment in early care and education by failing to replenish the matching fund.

## **Importance for Children**

- Too many Louisiana families are struggling to pay the bills and put food on the table. The cost of everyday life – including child care – is rising every day.
- Investing in young children results in direct returns for our state and communities. In other words, the more we invest in young children now, the more we all benefit tomorrow.
- By giving parents the opportunities they need to make the best choices their children deserve and improving early learning opportunities for young children, we increase their chances of success in school, society, and life.
- Children who have access to high-quality early learning are more likely to graduate from high school, continue with higher education, and have higher earning abilities. They are also less likely to be involved in the juvenile justice or criminal justice systems later in life.
- If we want to support working families, strengthen Louisiana's workforce and economy, and see direct returns for our state and communities, we need to invest in young children.