

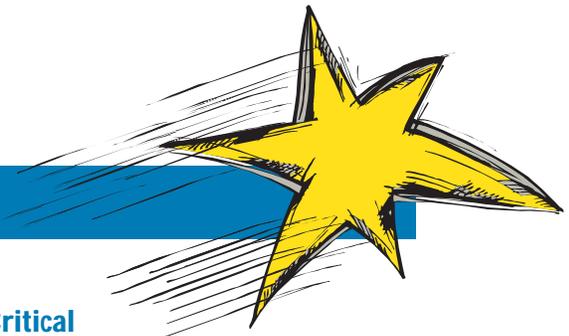
# Investing in the Child Care Industry



The Economic Impact of the Child  
Care Industry in Hardin County

Executive Summary





# Why invest in child care?

**“Strong families are a precondition for competitive cities. The city should therefore strive to lift all working families out of poverty and onto the path of self sufficiency.”**

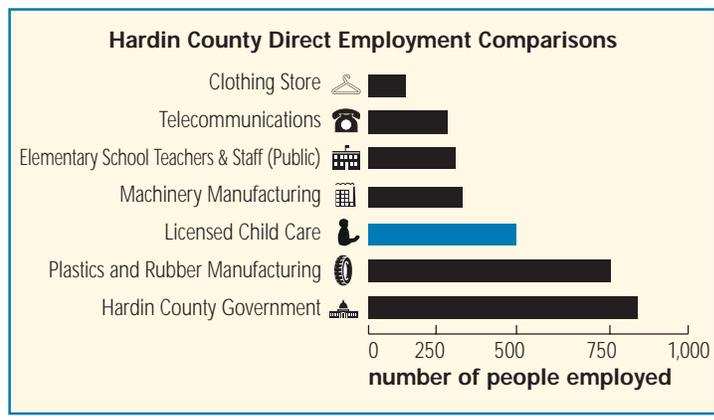
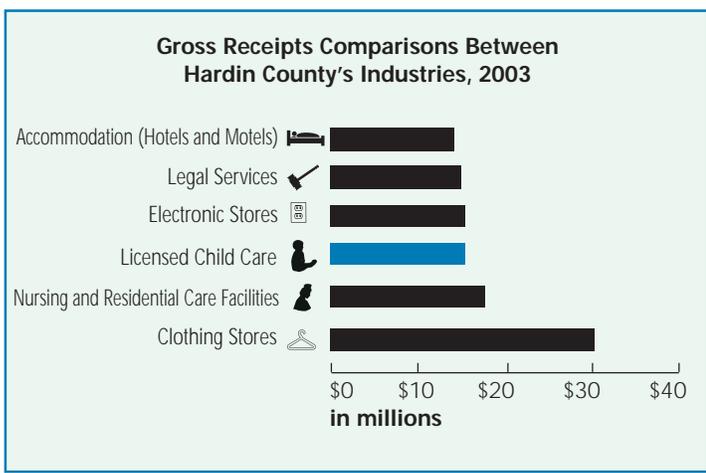
**– Brookings Institute**

## Child Care – Critical Element of Economic Infrastructure

- ★ Like transportation, education and public works, child care is a necessary and vital part of the economic infrastructure
- ★ Investing in the child care infrastructure of the Hardin County economic area has direct positive benefits for the region’s overall economic competitiveness
- ★ Increased earnings by adults who attended quality early education programs translate to a larger tax base

## Child Care – Significant, Income Generating Industry

- ★ Licensed child care is a \$14.9 million industry in Hardin County
- ★ The child care industry represents more than 115 small businesses in Hardin County
- ★ Over 400 people work in the child care industry in Hardin County
- ★ 61% of families in Hardin County need child care to work or attend school/training
- ★ Child care gross receipts are nearly as much as the gross receipts taken in from nursing and residential care facilities.



**“Giving a good start to Kentucky's young children is a public investment that will yield a high rate of public return.”**

**– Representative Jimmie Lee**

### **Child Care – Essential Component of Workforce Development**

- ★ Investments in quality child care programs reduce future public expenditures and help the region to have a skilled and productive workforce now and in the future
- ★ Families in Hardin County are able to earn \$111.8 million because they have child care
- ★ Quality child care increases children's ability to enter traditional K-12 schooling ready to learn, and prepares them for future opportunities
- ★ Currently in Hardin County over 6,000 children ages 0 to 12 need some form of care because their parents are in the labor force

### **Return on Investment in Child Care**

- ★ Federal Reserve Bank economists estimate that quality child care programs generate a 16% rate of return on investment, 12% of which is a public rate of return
- ★ A healthy child care industry helps businesses attract and retain the best employees and enable the state to attract and retain the best businesses
- ★ \$4.2 million is brought into Hardin County through public/private child care assistance and investments for low-income families and child care initiatives

## **Recommended Investments**

### **Businesses**

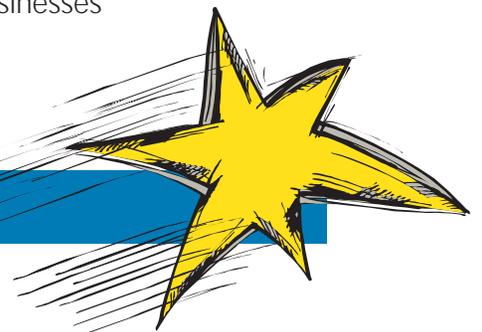
- ★ Improve child care benefits to employees
- ★ Replicate business partnerships like the Work/Life Alliance initiative currently championed by Greater Louisville Inc.
- ★ Educate and influence fellow business leaders toward supporting child care initiatives

### **Government**

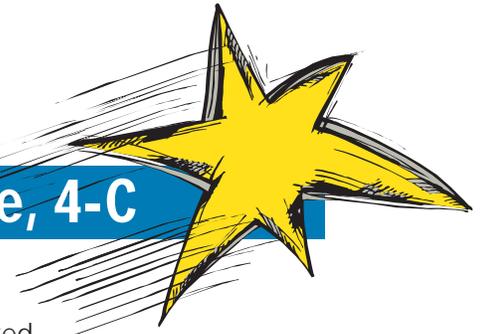
- ★ Make quality child care a vital component of county planning and development procedures
- ★ Pass tax credit legislation to support child care
- ★ Reduce zoning regulation barriers to child care
- ★ Designate government liaison between local government and child care industry

### **Community**

- ★ Maximize the economic and political force of the child care industry
- ★ Increase the funding available to families for child care by making a contribution when you renew your motor vehicle registration
- ★ Advocate for enhancing quality child care as an essential component of school readiness



# Community Coordinated Child Care, 4-C



For over 30 years, 4-C has been the central point of contact for our community's child care needs. 4-C is a private, non-profit Metro United Way agency dedicated to improving the quality, availability, and accessibility of child care and early childhood development programs in the Kentuckiana area.

54 First Street, Elizabethtown, KY 42701  
 (270) 360-9911  
[www.4cforkids.org](http://www.4cforkids.org)

**“Much like the traditional infrastructure of roads and utilities are key to delivering the material resources required to operate business and industry, child care is an essential component of the “human infrastructure” necessary to supply the qualified workforce required for regional economic success. Barriers to workforce development, such as shortages in available child care resources, must be removed to increase our economic prosperity.”**

**– Judge Harry Berry,  
 Judge Executive, Hardin County**

Since 1997, the National Economic Development and Law Center (NEDLC) had produced Child Care Economic Impact Reports (CCEIRs) in counties and states throughout the country. The CCEIRs articulate child care in economic terms and quantify the ways in which the child care industry is critical to the local economy. Community Coordinated Child Care (4-C) partnered with NEDLC to form an Advisory Board of local and statewide leaders in the fields of business, government, child care, and economic development.

The publication, *The Economic Impact of the Child Care Industry in Hardin County*, was written by 4-C, based on the findings from NEDLC. Other contributors include the Advisory Board to the report:

Judge Harry Berry, Judge Executive Hardin County	Carol Hensley, Director Main Street Business Association	Eileen Pickett, Vice President Greater Louisville Inc.
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Mike Cheek, Director, Division of Child Care Kentucky Cabinet for Families & Children	Kathy King, Lincoln Trail Director Community Coordinated Child Care (4-C)	Paula Bendl Smith, Executive Director Kentucky Child Care Network
Perry Clark, Kentucky State House Representative, District 37	Janet Masterson, Assistant Director Community Coordinated Child Care (4-C)	Terry Tolan, President United Way of Kentucky
Ron Crouch, Director Kentucky State Data Center	Rita Nutt, Consultant Greater Louisville Inc., Small Business Development Center	Susan A. Vessels, Executive Director Community Coordinated Child Care (4-C)
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*The Economic Impact of the Child Care Industry in Hardin County study was made possible through the generous financial support of Bisig Impact Group, Bob Henderson, Metro Government Council Member, District 14; Jefferson County Community Early Childhood Council and Metro United Way. For a full copy of this report, please visit [www.4cforkids.org](http://www.4cforkids.org).*

