



A WORKFORCE SOLUTION THAT

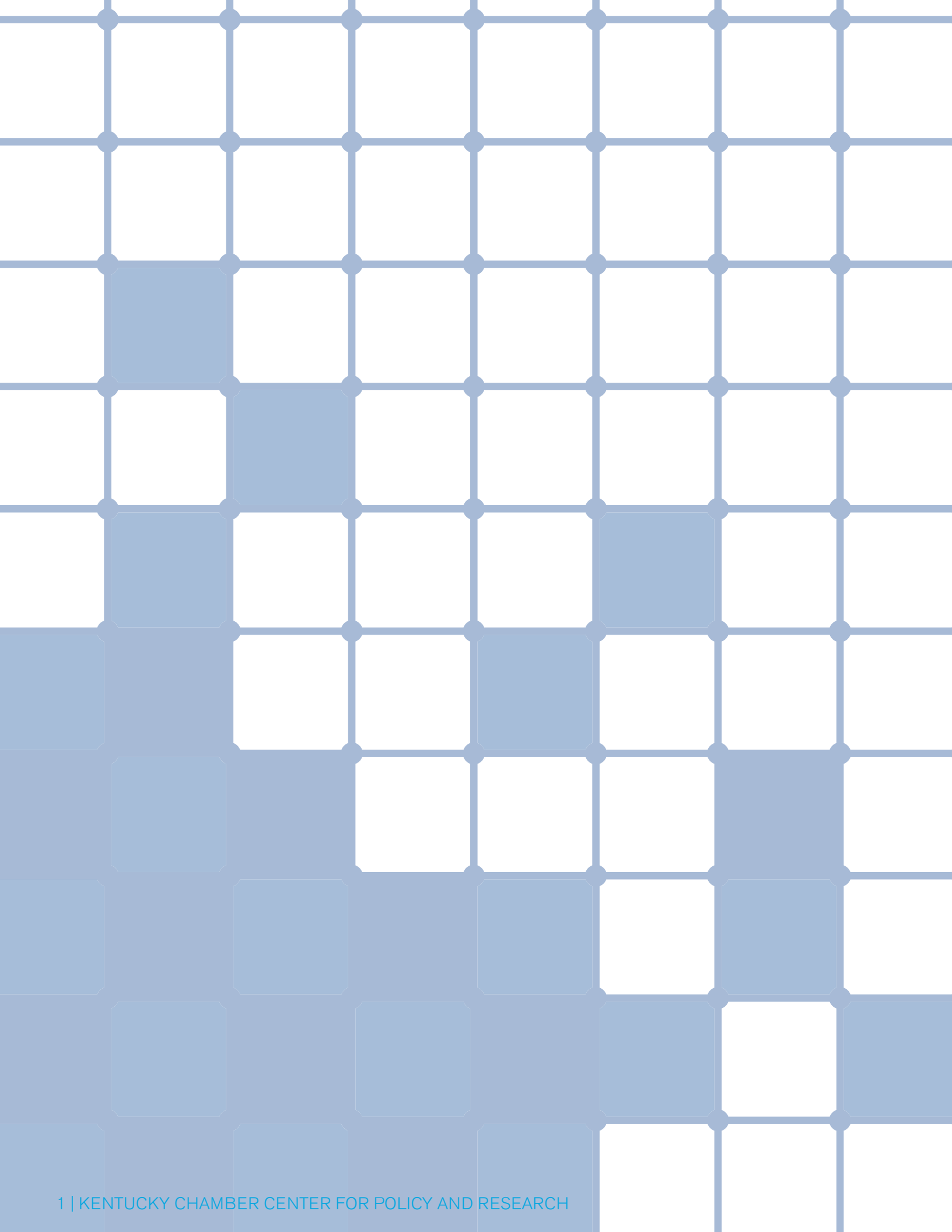
Works

How Child Care Can
Close Kentucky's
Workforce Gaps and
Grow our Economy

AUGUST 2025



Kentucky Chamber
Center for Policy & Research



Introduction

How can we bring more Kentuckians into the workforce? This has long been a central question in Kentucky public policy debates, as state and community leaders have sought to grapple with one of the lowest rates of workforce participation in the country.

In 2021, the Kentucky Chamber of Commerce offered a comprehensive answer in its report “20 Years in the Making: Kentucky’s Workforce Crisis.” That report called for a multifaceted approach—combining tax reform, updates to public assistance programs, investments in education, and other structural changes.

This new report builds on that foundation, focusing on a critical but under-addressed barrier to work: access to child care. For the first time, it provides statewide and regional estimates of how many Kentuckians could enter the workforce if child care was more widely available and affordable.

Drawing from survey data and established academic research, the report explores a range of estimates, including upper-

bound estimates of 16,130 to 28,349 new workers. The effects of bringing this number of adults into the labor market would be significant to workforce participation rates and the Commonwealth’s economy. Even under conservative assumptions, the report’s upper-bound economic impact estimates range from \$599.9 million to \$1.097 billion annually in new wages, sales tax revenues, and income tax revenues for Kentucky.

These findings underscore the urgency of pursuing meaningful child care solutions in Kentucky. Beyond benefiting children and families, improved access to child care is a driver of workforce participation and economic growth.

State policymakers should prioritize this issue as they build out a multifaceted strategy to overcome Kentucky’s long-term workforce challenges. Increasing access to affordable child care, this report demonstrates, is a workforce solution that works.¹

Key Highlights



Established academic research and survey data show that *increasing access to affordable child care* can give more parents the option to join or rejoin the workforce.



This study estimates that increasing the availability of child care in Kentucky and making it more affordable could help as many as *16,130 to 28,349* parents join or rejoin the state’s workforce. These are upper-bound estimates.



A workforce increase of this magnitude could help *move Kentucky’s prime-age workforce participation rate out of the bottom ten in national rankings.*



The economic effects of our upper-bound workforce impacts include *\$564 million to \$1.037 billion in new wages and \$35.5-\$60.1 million in new state income and sales tax revenues. Additional impacts in other areas are not considered in this study.*

¹ This report was researched, written, and produced independently by the Kentucky Chamber of Commerce and was supported by a generous grant from the Lift a Life Novak Family Foundation. The workforce estimates discussed throughout were produced independently by analysts at Blueprint Kentucky. The involvement of Blueprint Kentucky in this work in no way implies their endorsement or that of the University of Kentucky of this report’s conclusions.



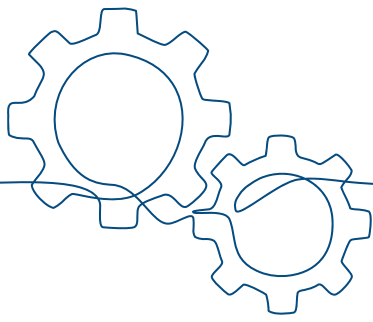
UNDERSTANDING OUR WORKFORCE CHALLENGES

The Commonwealth's challenges with low rates of workforce participation are well known. With a rate of 58.4 percent in May 2025, Kentucky's overall workforce participation rate is the eighth lowest in the nation and 3.9 percentage points below the national average. Similarly, the state's prime-age workforce participation rate, which measures the share of 25-54 year olds in the workforce, is 80.6 percent, the 6th lowest

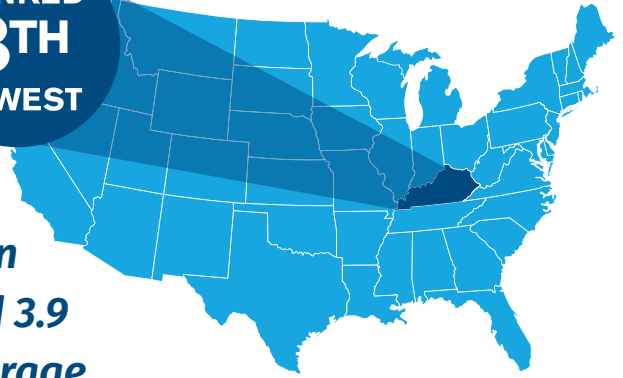
among all 50 states and 3 percentage points lower than the national average. A total of 320,000 Kentucky adults between the ages of 25 and 54 are neither working nor looking for work. This dynamic makes it harder for Kentucky employers to hire and grow their companies, drives up rates of government dependence, and leads to poorer communities and weaker local economies.²

A total of 320,000 Kentucky adults between the ages of 25 and 54 are neither working nor looking for work.

² See, for example: Dotsey, M. et al., "Where is Everybody? The Shrinking Labor Force Participation Rate," 2017, Federal Reserve Bank of Philadelphia. <https://www.philadelphiafed.org/the-economy/macroeconomics/where-is-everybody-the-shrinking-labor-force-participation-rate>

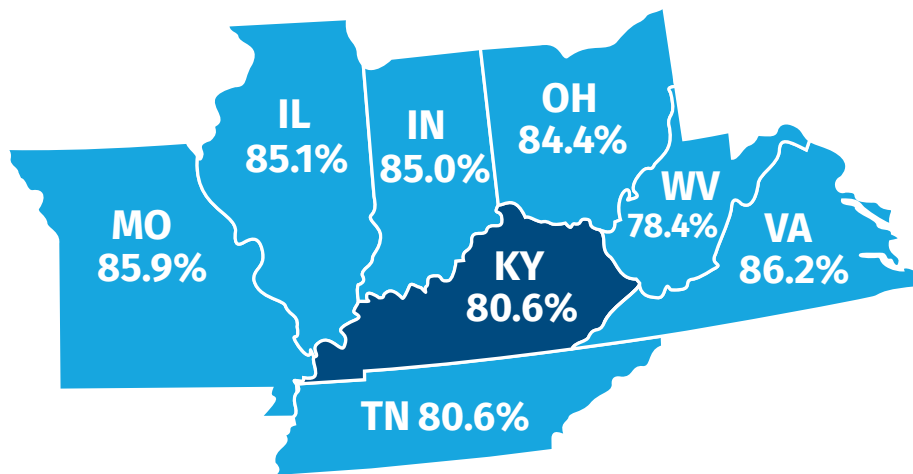


**RANKED
8TH
LOWEST**



Kentucky's overall workforce participation rate is the eighth lowest in the nation and 3.9 percentage points below the national average.

Workforce Participation Rates Among 25-54-Year-Old Adults, 2024 Preliminary Estimates



Kentucky	80.6%
<i>(45th lowest in the nation)</i>	
Missouri	85.9%
Indiana	85.0%
Tennessee	80.6%
Ohio	84.4%
West Virginia	78.4%
Illinois	85.1%
Virginia	86.2%

Source: U.S. Bureau of Labor Statistics

Workforce

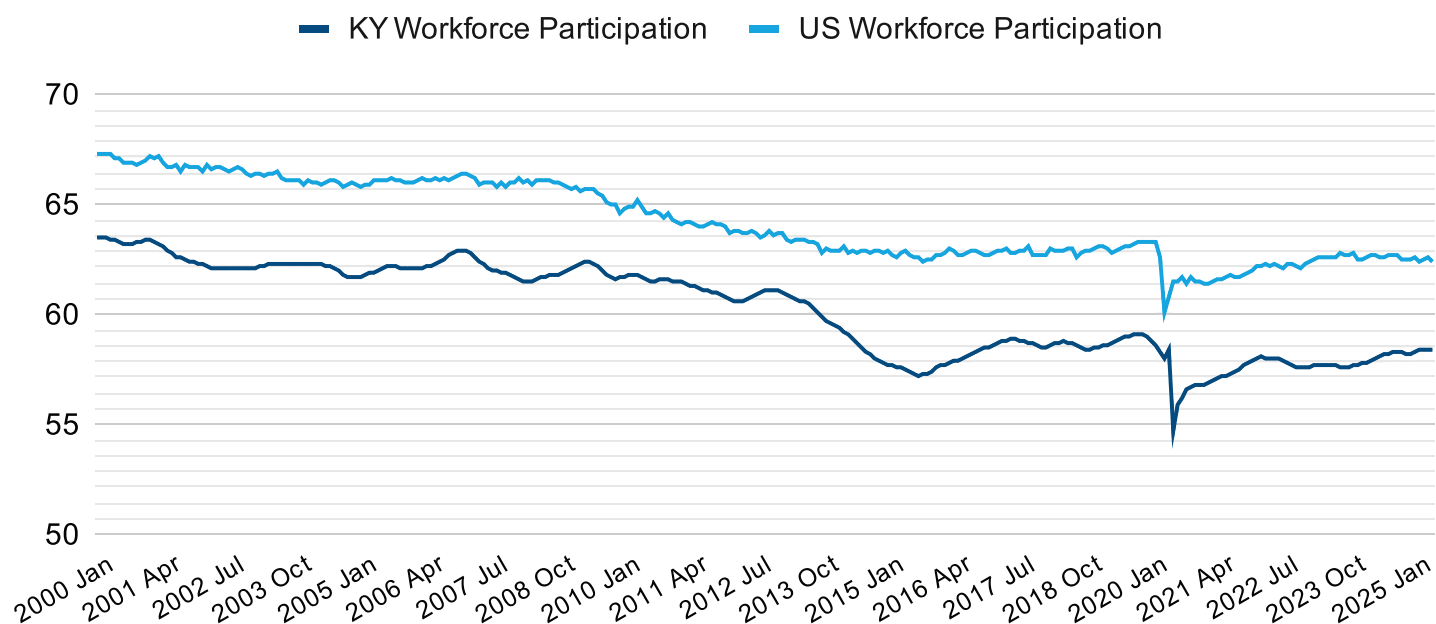
= The number of adults (16+) working or actively looking for work (employed + unemployed).

Workforce Participation

= The share of adults (16+) who are working or actively looking for work.

Workforce Participation, Kentucky and United States

January 2000-May 2025 (Ages 16+ Noninstitutionalized Civilian Population)



Source: U.S. Bureau of Labor Statistics

Workforce participation in Kentucky and the U.S. have been trending downwards for more than 20 years. The causes of this decline are multifaceted, but a key driver is demographic change in the form of slower population growth and an aging population. As the populations of Kentucky and the rest of the country get older and as people have fewer children, a larger share of adults will move into retirement age than new adults will enter the workforce. This is generally viewed as the primary explanation for why workforce participation

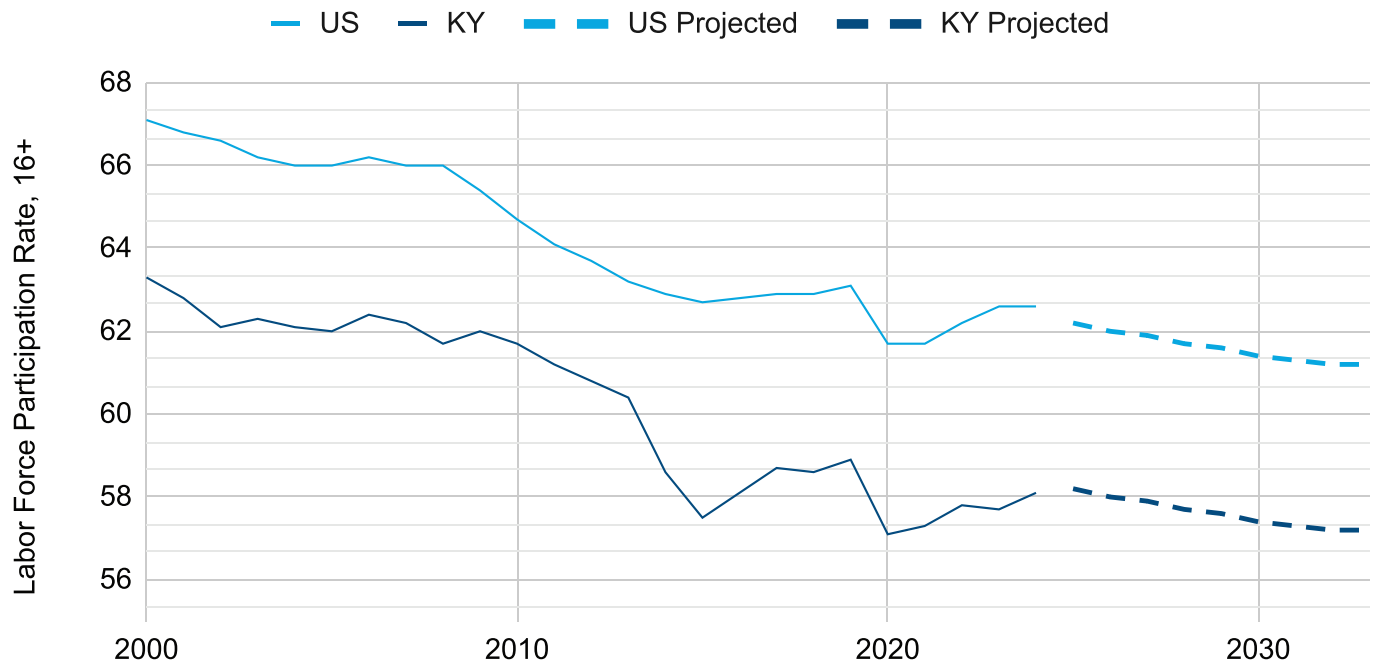
rates in Kentucky and the U.S. have been declining for more than 20 years now.³ It also means that rates are expected to remain low and likely decline further. In fact, economists at the Bureau of Labor Statistics project that the U.S. workforce participation rate will fall to 61.2 percent by 2033. If this holds true, then Kentucky's workforce participation rate could decline from 58.4 percent today to 57.2 percent within the next ten years.⁴

³ SeSee Aaronson, S. et al., "Labor Force Participation: Recent Development and Future Prospects," 2014, Brookings. <https://www.brookings.edu/articles/labor-force-participation-recent-developments-and-future-prospects/>

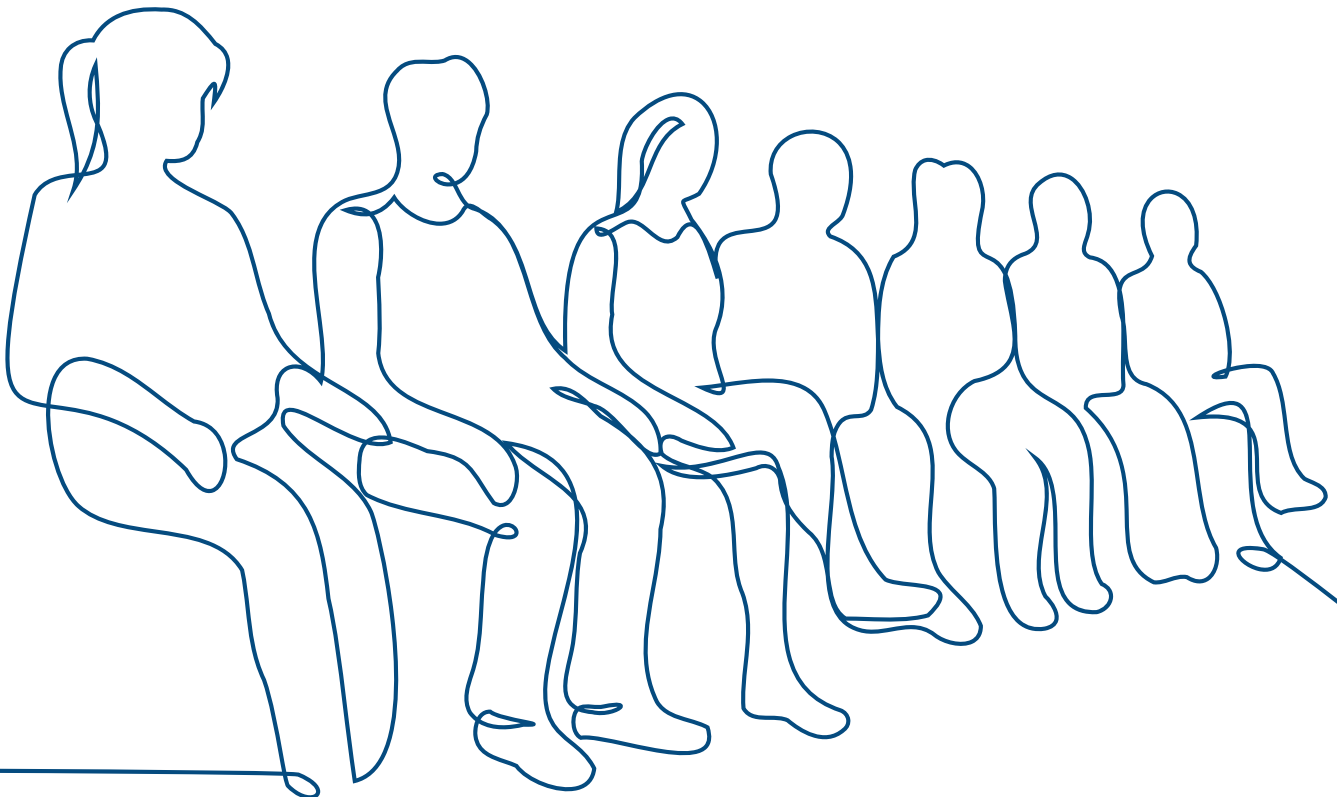
⁴ Dubina, K., "Labor force and macroeconomic projections overview and highlights, 2023-33," 2024, Bureau of Labor Statistics Monthly Labor Review. <https://www.bls.gov/opub/mlr/2024/article/labor-force-and-macroeconomic-projections-overview-and-highlights-2023-33.htm>

Workforce Participation Rates in Kentucky

2000-2033, Annual Averages



Source: U.S. Bureau of Labor Statistics/Kentucky Chamber Center for Policy & Research





OVERCOMING KENTUCKY'S WORKFORCE CHALLENGES

If Kentucky wants to ensure a strong workforce, then state leaders will need to think creatively and pursue a two-fold strategy centered on attracting new workers to the

Commonwealth and removing barriers to work for Kentuckians not currently in the workforce.

“If Kentucky wants to ensure a strong workforce, then state leaders will need to think creatively and pursue a strategy centered on attracting new workers to the Commonwealth and removing barriers to work for Kentuckians not currently in the workforce.”

Fortunately, policymakers, the private and nonprofit sectors, and local communities have already begun this work. The General Assembly, for example, has sought to structure state tax policy to help attract more high-skilled workers and their families. Local communities in both urban and rural areas have launched targeted talent attraction initiatives to encourage

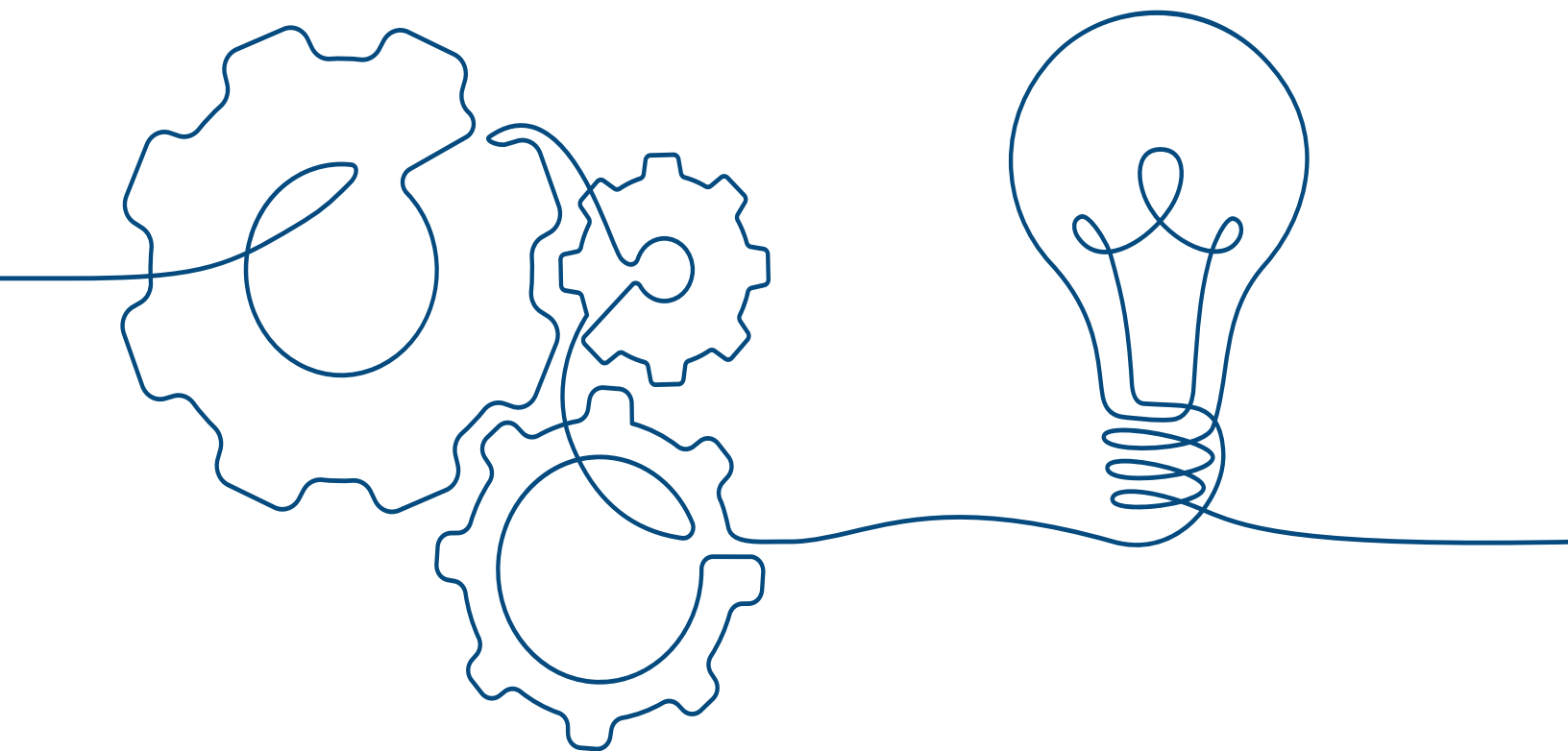
young professionals to relocate to their areas. Policymakers have collaborated with the private and nonprofit sectors to encourage more second-chance hiring so that criminal records and histories with substance use disorder do not keep these Kentuckians from working.

In addition, the state has taken great strides to leverage and invest in K-12 education, postsecondary education, and workforce development programs to ensure a trained workforce.

As part of this multifaceted approach to overcoming workforce challenges, state leaders have also recognized the importance of increasing access to child care. In 2022, for instance, legislators created the Employee Child Care Assistance Partnership to encourage more employers to help their workers afford child care. Lawmakers have also stepped up state investments in child care, allocating key resources to strengthen the state's child care subsidy program for low-income working families and support the child care workforce.

At the local level, communities such as Owensboro, Elizabethtown, Louisville, and Somerset have launched their own initiatives aimed at supporting workforce development through improved access to child care.

Policymakers and community leaders have been right to lean into child care access as a workforce solution. While a significant body of established research demonstrates the impacts of early childhood learning opportunities on long-term outcomes for children, there is also a growing body of research showing how access to affordable child care facilitates workforce participation among parents.⁵



⁵ For an overview of this research, see “A Foundation for Action: Shared Solutions to Child Care Challenges in Kentucky,” 2025, Kentucky Chamber of Commerce. <https://www.kychamber.com/sites/default/files/pdfs/A%20Foundation%20for%20Action.pdf>



WHAT THE RESEARCH SAYS ABOUT CHILD CARE ACCESS AND WORKFORCE

A December 2019 report from the White House Council of Economic Advisers under the first Trump Administration estimated that there were 3.8 million nondisabled, working-age adults who “might need to have child care to be able to enter the workforce or increase their work hours.” The report also identified 6.6 million parents of young children working part-time who might increase their hours with improved access to child care services. The report argued that addressing child care affordability in particular “would promote increased choice among families regarding the

balance between work outside the home and child rearing, and could ultimately bring more Americans off the sidelines and into the labor market. This would increase economic growth and lead to greater choice regarding parents’ allocation of their labor between child care and working outside the home. Thus, creating a system that maximizes opportunity without interfering with personal family decisions is a vitally important goal for the economy and American society as a whole.”⁶

6 “The Role of Affordable Child Care in Promoting Work Outside the Home,” 2019, Council of Economic Advisers. <https://trumpwhitehouse.archives.gov/wp-content/uploads/2019/12/The-Role-of-Affordable-Child-Care-in-Promoting-Work-Outside-the-Home-1.pdf>



“The strong American economy under President Trump continues drawing more workers into the labor market, and there is room for the labor force to grow further. We estimate that as of December 2016, there were 3.8 million nondisabled, working-age parents of young children currently outside the labor force, and another 6.6 million such parents working part time, each of whom might need to have child care to be able to enter the workforce or increase their work hours.”

— White House Council of Economic Advisers, December 2019,
The Role of Affordable Child Care in Promoting Work Outside the Home

A 2017 study published in the Review of Economics of the Household surveyed prior studies examining the effects of child care affordability on the employment of mothers of young children. It found that decreasing child care costs by 10 percent increases maternal employment by 0.5 to 2.5 percent, though it noted some findings of increases in employment as high as 11 percent. The study found the strongest effects on non-working single mothers.⁷

Adding to this research, in 2023, the Bipartisan Policy Center and Artemis Strategy Group surveyed more than 2,000 non-working U.S. adults between ages of 20 and 54, including more than 1,600 adults who were neither working nor looking

for work (adults not in the workforce). The survey asked adults not in the workforce what their main reason was for not working, providing them options such as “caring for my children full time,” “disabled, seriously ill,” and “do not need to work.” In response, 33 percent cited “caring for my children full time” as their primary reason for not working. The survey also found that 52 percent of parents not in the workforce and with children younger than 18 viewed “affordable, quality child care” as a “very important” consideration in their deliberations on whether to enter or return to the workforce. For not-in-the-workforce parents with children younger than six, 65 percent identified child care as a “very important” consideration.⁸

7 Morrissey, T., “Child care and parent labor force participation: a review of the research literature,” Review of Household Economics, 2017, <https://link.springer.com/article/10.1007/s11150-016-9331-3>.

8 “Non-Worker Challenges and Policy Solutions,” 2023, Bipartisan Policy Center. <https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2023/08/BPC-Workforce-Report-August-30-2023.pdf>



ESTIMATING THE WORKFORCE IMPACTS OF INCREASED ACCESS TO CHILD CARE

To build on this economic research and contextualize it within the Commonwealth, the Kentucky Chamber Center for Policy and Research contracted with researchers at Blueprint Kentucky, an economic and community development initiative within the University of Kentucky's Martin-Gatton College of Agriculture, Food and Environment. This partnership focused

on creating estimates of how many Kentucky parents not in the workforce might reasonably be able to join or rejoin the workforce and seek out employment if child care was more available and affordable.^{9 10} This work resulted in upper-bound estimates of 16,130 to 28,349 new workers.

9 Researchers at Blueprint Kentucky independently produced estimates of the number of non-working, non-looking-for-work parents in Kentucky who might join the workforce if child care was more available and affordable. Their involvement with this work in no way implies the endorsement of this report's arguments or conclusions by Blueprint Kentucky or the University of Kentucky.

10 "Parents" in this study refer to adults with children in their household below the age of 18.

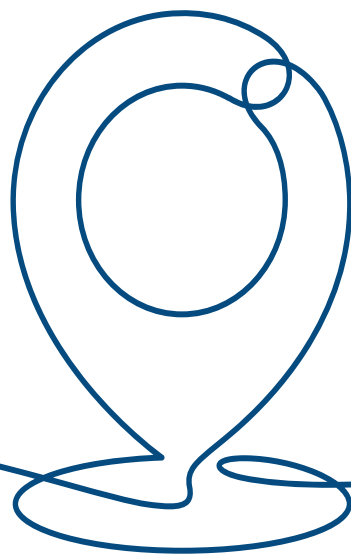
To create these estimates, two models were developed: one using the survey by the Bipartisan Policy Center mentioned above, and another using a series of academic studies produced between 1995 and 2017.¹¹ This information helped determine how many parents might join the workforce if access to child care was not a barrier.¹²

Both approaches used in this analysis have their own strengths and weaknesses. The academic studies, for example, utilize rigorous methodologies but are generally older. The Bipartisan Policy Center survey is not an academic study at all but rather a unique national survey of non-working adults. It also leads to estimates that are considerably larger than what the academic literature suggests. On the other hand, the survey is much more recent and therefore may more closely reflect current realities. This study uses both methods to give readers different perspectives and a sense of a range of estimates.

Within these models, estimates were developed for the entrance of new workers into the workforce based on monthly reductions to the average cost of child care in increments of \$200 per month, \$350 per month, and \$500 per month.¹³ Presumably, if costs were reduced further, more new workers might join the labor market. This analysis was capped at \$500 per month because the state has current policy levers available to achieve this price reduction, such as the

Employee Child Care Assistance Partnership. In addition, in both models, it is assumed that a child care slot is available for any child whose family wants one. Therefore, for the purposes of this report, child care availability is not constrained by a lack of supply but is instead widely available—unlike in reality.

A key component of this study is that it does not assume that all parents not in the workforce would use child care services even if these services became more widely available and affordable. Survey evidence and academic literature shows that child care access and affordability are meaningful factors only for some parents not in the workforce. For instance, as discussed previously in this report, the Bipartisan Policy Center survey shows that about half of parents not in the workforce consider affordable child care to be a “very important” consideration in whether or not they would enter or return to the workforce. Similarly, the academic literature reviewed for this study suggests that child care access and affordability could inform labor market decisions for 37 percent of single mothers not in the workforce but only for 18 percent of single fathers not in the workforce. Consequently, our estimates are based on a population that research and recent survey data suggest might enter the workforce based on child care access and affordability.¹⁴ Additional work is needed to fully understand parental preferences for child care and how changes in the child care sector could influence the decisions of parents to join or leave the workforce.



11 Anderson, P. M., & Levine, P. B., “Child care and mothers’ employment decisions,” 1999, NBER; Baum, C. L., “A dynamic analysis of the effect of child care costs on the work decisions of low-income mothers with infants,” 2002, *Demography*, 39(1), 139-164; Blau, D. M., & Hagy, A. P., “The demand for quality in child care,” 1998, *Journal of Political Economy*, 106(1), 104-146; Carroll, C. et al., “The distribution of wealth and the marginal propensity to consume,” 2017, *Quantitative Economics*, 8(3), 977-1020; Connelly, R., & Kimmel, J., “Marital status and full-time/part-time work status in child care choices,” 2003, *Applied Economics*, 35(7), 761-777; Han, W., & Waldfogel, J., “Child care costs and women’s employment: a comparison of single and married mothers with pre-school-aged children,” 2001, *Social Science Quarterly*, 82(3), 552-568; Herbst, C. M., “The labor supply effects of child care costs and wages in the presence of subsidies and the earned income tax credit,” 2010, *Review of Economics of the Household*, 8, 199-230; Kimmel, J., “Child care costs as a barrier to employment for single and married mothers,” 1998, *Review of Economics and Statistics*, 80(2), 287-299; Michalopoulos, C., & Robins, P. K., “Employment and child-care choices in Canada and the United State,” 2000, *Canadian Journal of Economics/Revue canadienne d’économie*, 33(2), 435-470; Ribar, D. C., “A structural model of child care and the labor supply of married women,” 1995, *Journal of Labor Economics*, 13(3), 558-597.

12 Data on parents not in the workforce come from the American Community Survey 5-year estimates from 2023.

13 Data on child care costs from the U.S. DOL’s National Database of Childcare Prices. <https://www.dol.gov/agencies/wb/topics/featured-childcare>

14 See also “Economics & Child Care: Where are we now and where do we go?,” Buffett Early Childhood Institute, July 2025. <https://www.childcareaware.org/economics-and-child-care/> and Brown, Patrick T., “Building Blocks for Childcare Reform,” American Compass, August 2024. <https://americancompass.org/building-blocks-for-childcare-reform/>



SUMMARY OF WORKFORCE ESTIMATES

16,130 to 28,349 new workers, if child care is available for all parents who want it, and average monthly costs are reduced by \$500

11,291 to 19,844 new workers, if child care is available for all parents who want it, and average monthly costs are reduced by \$350

6,452 to 11,340 new workers, if child care is available for all parents who want it, and average monthly costs are reduced by \$200

Table 1.

Panel A. Estimate Based on BPC Survey		Panel B. Estimate Based on Academic Literature	
\$200 Cost Reduction	New Workers	\$200 Cost Reduction	New Workers
Married Mothers	6,171	Married Mothers	4,154
Single Mothers	1,687	Single Mothers	1,201
Married Fathers	2,787	Married Fathers	858
Single Fathers	694	Single Fathers	240
Total	11,340	Total	6,452
\$350 Cost Reduction	New Workers	\$350 Cost Reduction	New Workers
Married Mothers	10,799	Married Mothers	7,269
Single Mothers	2,953	Single Mothers	2,101
Married Fathers	4,878	Married Fathers	1,501
Single Fathers	1,215	Single Fathers	421
Total	19,844	Total	11,291
\$500 Cost Reduction	New Workers	\$500 Cost Reduction	New Workers
Married Mothers	15,427	Married Mothers	10,384
Single Mothers	4,218	Single Mothers	3,001
Married Fathers	6,968	Married Fathers	2,144
Single Fathers	1,736	Single Fathers	601
Total	28,349	Total	16,130

The effects of adding these new workers to Kentucky's workforce are significant. If, for instance, it is assumed that all these new workers are between the ages of 25 and 54, the addition of 28,349 new workers would increase Kentucky's prime-age workforce participation rate from 80.6 percent to 82.3 percent, a 1.7 percentage point increase.

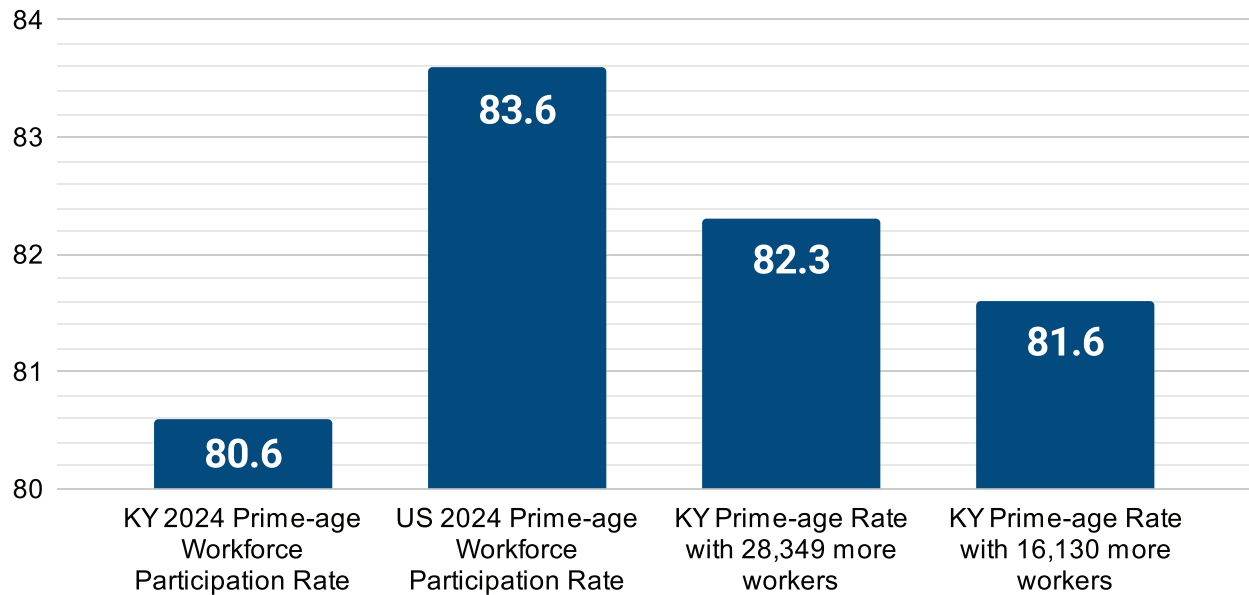
To put that impact into context, the prime-age workforce participation rate gap between Kentucky and the United States is 3 percentage points: 80.6 percent vs. 83.6 percent, as of 2024. Adding 28,349 new workers to Kentucky's workforce would reduce this gap by more than half and would

move Kentucky's national ranking out of the bottom ten, from 45th in the nation to 37th.

On the other side of the upper-bound estimates, adding 16,130 new workers would increase the state's prime-age workforce participation rate by a full percentage point, from 80.6 percent to 81.6 percent. This would effectively reduce the prime-age workforce participation rate gap between Kentucky and United States by a third.¹⁵

¹⁵ Calculations by Kentucky Chamber Center for Policy and Research and based on data from the U.S. Bureau of Labor Statistics. <https://www.bls.gov/lau/ptable14afull2024.htm>

Kentucky vs. United States Prime-age Workforce Participation



Source: U.S. Bureau of Labor Statistics/Kentucky Chamber Center for Policy & Research

On a regional basis, these workforce impacts would be more pronounced in certain parts of the state than in others. Using the state's ten local workforce development areas as a proxy for regions, Kentucky's two easternmost workforce areas—TENCO and EKCEP—would account for 25.3 to

27 percent of new workers. Workforce areas such as the Bluegrass, Cumberlands, KentuckianaWorks, and West Kentucky would also see considerable shares of new workers. In general, impacts are highest in areas where there are currently more parents not in the workforce.

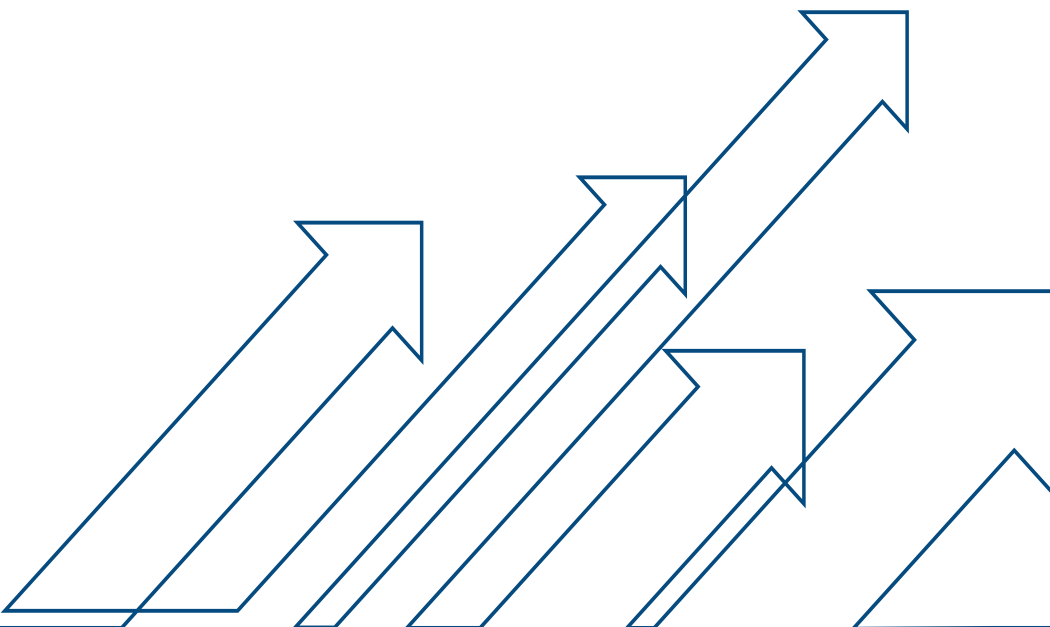
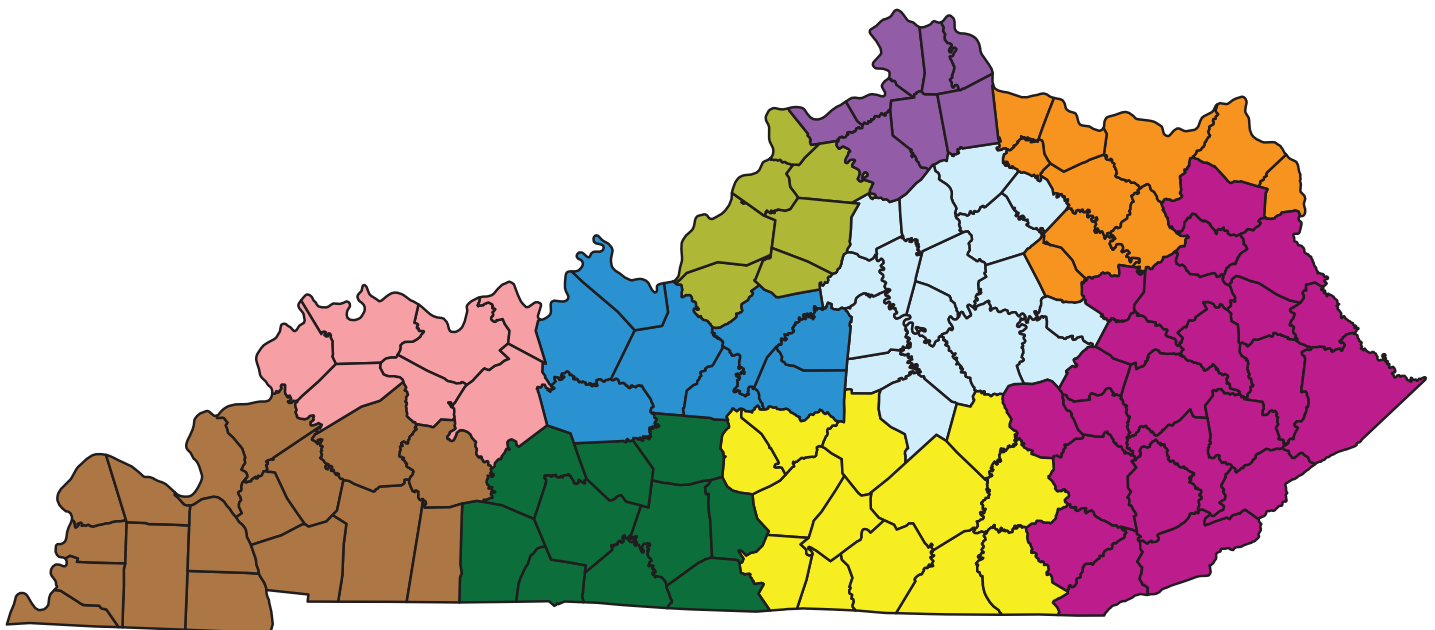


Table 2.

Local Workforce Area	Panel A. Estimate Based on BPC Survey	Panel B. Estimate Based on Academic Literature
Bluegrass	3,583	2,106
Cumberlands	3,509	1,945
EKCEP	6,029	3,174
Green River	1,398	817
Kentuckiana Works	3,719	2,216
Lincoln Trail	1,561	921
Northern Kentucky	1,355	799
South Central	2,171	1,300
TENCO	1,662	924
West Kentucky	3,361	1,927
Statewide Total	28,349	16,130
<i>*Regional estimates based on a \$500 per month cost reduction</i>		

Local Workforce Development Areas
Kentucky Career Center





ESTIMATING THE ECONOMIC IMPACTS OF INCREASED ACCESS TO CHILD CARE

Increasing the Commonwealth's workforce would have strong economic effects on the state. This study also estimates the economic impacts of more parents joining the workforce, looking at new wages, state income tax revenues, and state sales tax revenues. In these estimates, it is assumed that all these new workers find employment (as opposed to some finding employment and some not finding a job but looking

for one). To estimate wages, median earnings data for men and women at the county-level from the 2023 American Community Survey were used, leading to more conservative estimates than median earnings for the full-time employed population. Despite this, the economic effects of these new workers would be significant.

- With an addition of **28,349 new workers**, an annual estimated economic **impact of \$1.097 billion** could be expected, including \$1.037 billion in new earnings, \$41.4 million in new state income tax revenues, and \$18.6 million in new sales tax revenues.
- With an addition of **16,130 new workers**, an annual estimated economic **impact of \$599 million** could be expected, including \$564 million in new earnings, \$25.3 million in new state income tax revenues, and \$10.1 million in new sales tax revenues.

Table 3.

Panel A. Estimate Based on BPC Survey					
	New Workers	Earnings	Income Tax	Sales Tax	Total Impact
\$200 Cost Reduction	11,340	\$414,800,000	\$16,594,206	\$7,467,393	\$438,861,599
\$350 Cost Reduction	19,844	\$726,300,000	\$29,012,697	\$13,067,938	\$768,380,635
\$500 Cost Reduction	28,349	\$1,037,500,000	\$41,485,021	\$18,668,482	\$1,097,653,503

Panel B. Estimate Based on Academic Literature					
	New Workers	Earnings	Income Tax	Sales Tax	Total Impact
\$200 Cost Reduction	6,452	\$225,773,873	\$10,159,824	\$4,063,930	\$239,997,627
\$350 Cost Reduction	11,291	\$395,104,280	\$17,779,693	\$7,111,877	\$419,995,850
\$500 Cost Reduction	16,130	\$564,434,690	\$25,399,561	\$10,159,824	\$599,994,075

These estimates exclude other economic impacts such as property and excise tax effects. They also do not consider the economic effects that may accompany children having more access to high-quality child care. 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.¹⁶

Finally, these estimates do not contemplate how these non-working parents joining the workforce could lead to savings for taxpayers in the form of reduced utilization of programs such as Medicaid, SNAP, TANF, and other government programs. Additional analysis is needed to fully understand the economic effects of these potential new workers.

“A landmark study from 2016 calculated a return of \$7.30 for every dollar spent on high-quality early learning programs.”

¹⁶ Garcia, J.L., et al. “Quantifying the life-cycle benefits of an influential early childhood program,” Center for the Economics of Human Development, University of Chicago, 2016, https://cehd.uchicago.edu/?page_id=276#abccba See also, Foundation for Action, p. 11. <https://www.kychamber.com/sites/default/files/pdfs/A%20Foundation%20for%20Action.pdf>



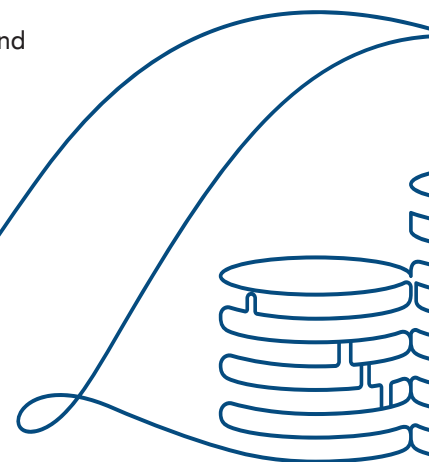
IMPROVING CHILD CARE SUPPLY AND AFFORDABILITY IN KENTUCKY

These new findings, alongside pre-existing research, underscore how increasing child care supply and improving affordability could help alleviate workforce challenges in the Commonwealth. Policymakers and community leaders around the state should continue focusing on strengthening child care access and leveraging it as part of a multifaceted workforce development strategy.

To support that work, the Kentucky Chamber, in partnership with the Convergence Center for Policy Resolution and the Lift a Life Novak Family Foundation, released a new report in May 2025 titled “A Foundation for Action: Shared Solutions to Child Care Challenges in Kentucky.” The report was the outcome of more than eight months of research and discussions among a stakeholder group made up of

40 Kentucky leaders, including business leaders, public policy professionals, workforce and economic development experts, attorneys, child care providers, advocates, nonprofit leaders, faith community leaders, and educators. Each of these stakeholders brought their own unique perspective to the group’s conversations, resulting in a final set of recommendations that cross ideological, sectoral, and partisan lines.

The report outlined 37 specific and actionable recommendations to increase access to child care, ensure quality, and improve affordability.



Recommendations

Broadly, the report's recommendations can be summarized as follows:

- Improve child care data to better target limited resources and ensure a strong return on investment.
- Support low- and moderate-income families in affording quality child care.
- Improve the child care business model through careful regulatory relief, workforce solutions, and new opportunities.
- Engage local communities and employers in addressing child care challenges.

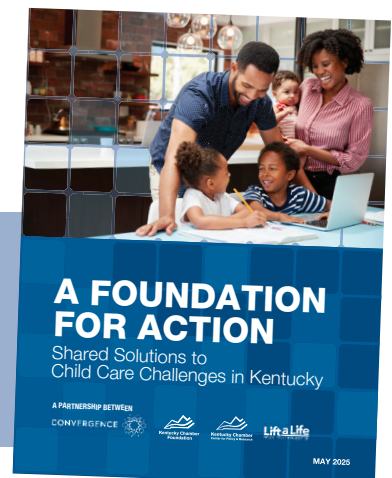
The report goes into deep levels of detail on each recommendation, explaining specific options for intervention by policymakers, nonprofits, philanthropy, and the business community. For example, the report recommends that nonprofits and policymakers partner together to develop and implement a more sophisticated analysis of child care supply and demand gaps for the state. This would allow for a more targeted use of limited resources to increase access to child care. The report recommends reforming the Employee Child Care Assistance Partnership through third-party partnerships and leveraging private-sector technologies. The stakeholder group also recommended detailed reforms to the Kentucky All STARS program, improvements to the state's formula for reimbursing child care providers who serve low-income

families, and a safety-first and consensus-driven approach to streamlining regulations. All 37 recommendations can be read in the full report.

While views on child care are wide-ranging—and, at times, conflicting—"A Foundation for Action" outlines a consensus-driven and impactful path forward that leaders can act on now. The report's recommendations present an opportunity not only to support Kentucky's families and kids but also to bring to life the workforce and economic potential outlined in this new study.



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Visit the Kentucky
Chamber's website,
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A WORKFORCE SOLUTION THAT *Works*

Kentucky leaders of all stripes have voiced a shared interest in solving the state's long-standing workforce challenges.

Increasing access to affordable child care will not solve these challenges single-handedly, but it can make a significant dent in the problem with the possibility of adding upwards of

16,130 to 28,349 new workers to the state's workforce. Thanks to the consensus-driven recommendations in "A Foundation for Action," policymakers and community leaders have a clear path forward to turn these estimates into real numbers and build a stronger Kentucky in the process.

**For additional
information, please
contact:**



Charles Aull
Vice President, Policy
Kentucky Chamber
caull@kychamber.com

