

CHILDCARE IMPACT ANALYSIS

Identifying Work-Willing Parents in the Gateway Region

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BACKGROUND

An untapped, significant pool of labor that has left the workforce are parents of young children who cannot afford and/or do not have access to childcare for their young children. Returning these parents to the workforce - many whom are ready, willing, and eager to re-enter a full-time job if the financial gains outweigh the cost of childcare - can have an immediate and lasting impact on the labor force participation rate and, by extension, the economic vitality of a region.

RESULTS & RECOMMENDATIONS

The analysis identifies an estimated 538 work-willing parents still on the sidelines and not in the labor force. The payroll taxes associated with the earnings of these 538 parents would generate between \$1.1 and \$1.3 million in additional state income revenue, between \$221,000 and \$245,000 in additional county income tax revenue, and an additional Gross Regional Product of between \$38.6 and \$45.3 million.

KENTUCKY-BASED SOLUTIONS

- 2024 Regular Session House Bill 561
- The Employee Childcare Assistance Partnership Program
- Child Care Assistance Program (CCAP) Subsidy for Child Care Employees
- The Early Childhood Development Scholarship

GADD-BASED SOLUTIONS

- Support Early Childcare Career Apprenticeships
- Engage in Public Advocacy and Policy
- Recognize the Role of Affordable Housing Plays in Childcare Solutions
- Support Zoning Regulation Updates and Public Policy
- Support Child Care Business Incentive Grants & Initiatives
- Act as a Regional Administrator

EMPLOYER-BASED SOLUTIONS

- Implement Employee Assistance Programs
- Provide Flexible Scheduling
- Offer Childcare subsidies
- Explore Non-Traditional Solutions for Working Parents
- On-Site/Near-Site Childcare Centers
- Partner with Backup Care Providers
- Address Equitable Return to Work Strategies
- Eliminate Bias in the Hiring Process
- Offer "Returnships" or Professional Development Opportunities
- Establish Equitable Pay Improvement Strategies
- Establish Gender Diversity KPI Goals