

November 23, 2021

The Honorable Greg Fischer
Mayor of Louisville
Metro Hall
527 W. Jefferson St.
Louisville, KY 40202

Dear Mayor Fischer,

Local government can't take a backseat to revive our struggling child care sector.

For families looking for safe, affordable child care right now, their options are scarce. Many centers have had to shut down or, at minimum, close classrooms due to staffing shortages. Waiting lists have grown to months or years-long for care placements. Though our city has a thriving logistics industry, very few child care providers offer 24-hour services for kids with caregivers working second shift or overnight. Black and Latinx families have been the hardest-hit of this crisis, exacerbating equity issues our city is striving to fix. Without better options, many families have had to make the tough choice to leave the workforce altogether.

Local budgets never seem able to stretch far enough to meet the needs of our community. As property owners brace for their annual tax bills, few community members have the capacity to raise revenues. So, hesitation to commit our limited resources to a problem that the federal or state government has made some overtures about solving is understandable. But not only is there room for our city to step into this field, there is an imperative to fill the voids. Louisville must provide the leadership and investment to ensure that we can meet the needs of our youngest learners and their families.

First, let's talk about what state and federal investments in child care look like right now and where Louisville can step up. Kentucky's Division of Child Care has committed \$763 million in American Rescue Plan money to child care. The majority of these funds, \$470 million, must be used for direct sustainability stipends to child care providers. These payments will include an incentive for child care providers who are able to raise wages--an additional 10% for providers playing at least \$10 per hour and 20% for providers paying \$13 per hour. Unfortunately, Louisville's median hourly wage for child care workers is only \$9.78, leaving many providers—and our entire community—without access to these resources.

The Division of Child Care's remaining \$293 million of ARP funding will be split across multiple delivery vehicles, including several that will prioritize counties that are child care deserts, which by strict definition, Jefferson County is not. Other

investments are only available to providers with a 3-5 STAR quality rating, which only 30% of Jefferson County providers have achieved.

Federal strategies to support child care have thus far focused on passing funds down to state and local governments with the understanding that those closest to the issues are best equipped to respond to the community's greatest needs. President Biden's Build Back Better (BBB) agenda may provide future opportunities for resources. The current BBB proposal includes a voluntary, universal pre-kindergarten program provided through a mixed-delivery model incorporating Head Start, public pre-K, child care, and other programs. Additionally, the proposal seeks to ensure that low- and middle-income families would not pay more than 7% of their annual income in child care costs. However, the BBB is still in debate. More importantly, if it passes intact, the early childhood programs will not be real for children and families in our community unless we have child care staff and supply to allow access.

At best, these opportunities will take years to phase in. At worst, Louisville will watch continuously as other cities open care for their families while ours remain locked out.

Here is where local government must step in:

- Commit to investing in child care and early learning from our own ARP allocation.
- Tailor the programs to our community:
 - **Build the sector to meet the demands of families:** help reopen closed centers, assist new programs beginning with zoning changes and low/no-interest loans for child care desert neighborhoods, incentivize employers to start child care programs in their own workplaces, offer wage supplements for underpaid early learning educators in order for providers to access state matching programs
 - **Invest in quality to ensure equitable access to early learning opportunities:** provide assistance to meet educators' own child care needs, support providers in moving up in Kentucky's quality rating system in order to unlock additional state funds, improve facilities to meet educational and supply needs
 - **Listen to parents and caregivers and design programs to meet their needs:** provide evening and 24-hour care for workers on alternative work schedules, support child care cooperatives, and create family engagement programs to provide educational resources and community support to families using informal care arrangements.

We are calling on your administration to publicly support an investment of at least \$20 million to open and expand child care access in our city. Families in our

community cannot wait for federal investments to materialize or trickle down. We must act to solve this crisis now.

Sincerely,

Councilwoman Cassie Chambers
Armstrong

Councilwoman Keisha Dorsey

State Senate Minority Leader Morgan
McGarvey

State House Minority Leader Joni
Jenkins

Rep. Josie Raymond

Rep. Mary Lou Marizan

The Ready for K Alliance

Metro United Way

Get UP! Louisville

Cori Gadansky
Executive Director
Community Coordinated Child Care
(4-C)

Kristen Williams
Executive Director
Play Cousins Collective

Ashley Novak Butler
Executive Director
Life a Life Novak Family Foundation