



Lincoln Trail

Area Development District
~ established 1968 ~

FOR IMMEDIATE RELEASE:

April 29, 2024

Media Contact: Megan Blaney
Heartland Communications Consultants
megan@heartlandcommunicate.com
631-431-3011

Childcare Economic Impact Report underscores importance of affordable childcare in region

Task force inspired by report seeks to support families and foster growth

ELIZABETHTOWN, Ky - The Lincoln Trail Area Development District (LTADD) released a Childcare Economic Impact Report Monday during an event at Fischbach USA in Elizabethtown. The commissioning of this study aimed to inform employers, key partners and elected officials about the ramifications of inadequate childcare on the regional economy's capacity to fulfill its workforce requirements. The study aims to present the potential return-on-investment for adopting and implementing a funding model to make childcare more affordable. With the impending opening of BlueOval SK in Glendale, alongside other ancillary and emerging economic development initiatives, LTADD and its partners found it necessary to acquire this data to bolster workforce development efforts.

"It is our hope that the release of this study marks a pivotal moment for our ever-growing region," said LTADD Executive Director Daniel London. "The data presented here underscores the critical importance of addressing childcare accessibility and affordability for our workforce's vitality. Through collaborative efforts with key partners and stakeholders, we aim to pave the way for a stronger, more resilient economy that supports working families and fosters sustainable growth."

The study was commissioned by LTADD with the support of Altec, Baptist Health Hardin, Elizabethtown Community and Technical College, the Elizabethtown/Hardin County Industrial Foundation, Fischbach USA and United Way of Central Kentucky, and was conducted by the Indianapolis-based Thomas P. Miller & Associates (TPMA).

The research explores the potential ramifications of broadening access to affordable childcare within the region, highlighting the prospective economic benefits for parents, employers and governmental

entities. It underscores the importance of collaborative efforts to ensure comprehensive childcare solutions, enabling all interested parents to re-enter the workforce on a full-time basis.

According to the study, the labor force participation rate in Kentucky remains below pre-pandemic levels, currently at 56.9%, down from 58.8% in December 2019, leading to a shortfall of workers regionally. This shortage hampers economic growth and results in significant revenue loss for both the state and county governments. A notable segment of the untapped workforce comprises parents unable to afford or access childcare for their young children, labeled as "work willing" throughout the analysis. By enabling these parents to rejoin the workforce full-time, estimated at 2,035 individuals in the LTADD region and Hart County, annual earnings could reach between \$99.2 million and \$126.3 million. These earnings, predominantly circulated within the region, would drive local economic activities, generating additional tax revenues for governments and boosting the Gross Regional Product (GRP) by \$164.5 to \$230.6 million, leading to further revenue gains. The study also includes a collection of recommendations for next steps, emphasizing a multi-faceted approach unique to each community, while also championing formal collaboration and coordination on goals, metrics, strategies and tactics.

"This analysis underscores the pressing need to address childcare challenges, emphasizing the substantial financial benefits for employers, parents and governments alike," said Brian Nottingham, Senior Strategic Advisor, Research & Impact for TPMA. "This is a pervasive issue across communities nationwide, and I applaud LTADD for its proactive approach in comprehensively assessing the prevalence of this challenge within the regional workforce and taking steps to address it."

In addition to discussion of the study's details from Nottingham, Monday's event also included remarks from London, Kentucky State Rep. Samara Heavrin and Kirk Chadwick, General Manager, Americas for Fischbach USA. A panel discussion moderated by Chadwick featuring London, Nottingham and Rep. Heavrin also took place.

"As an organization dedicated to providing quality job opportunities in this community, supporting the release of this study was important for us at Fischbach USA," Chadwick said. "Understanding the impact of childcare accessibility on our workforce is essential to our growth and business growth throughout our region, and this data is indispensable for any employer seeking to understand and address the challenges facing working families."

The panel also included Rachel Ritchey, a local mother and advocate for regional childcare reform. Ritchey is the mother of a 17-year-old daughter and five-year-old twins. Despite desiring a Christian-based education for her twins, high expenses and lengthy waiting lists led her to resign from her banking career, which she maintained for almost 13 years, to become a stay-at-home mom. Ritchey said while she treasures the time spent with her children, she recognizes the financial strain and limited employment options for area parents. She advocates for increased funding for childcare facilities to alleviate the burden on families and provide more employment opportunities.

"In today's world, it is extremely difficult to maintain a household on a single income and my family is fortunate and grateful to be able to keep our heads above water on my husband's self-employed income for the last five years," she said. "My heart breaks for the single parents and families that are struggling

to purchase the basic necessities because they are unable to find or afford adequate childcare which leaves them unable to work a full-time job.”

In addition to the panel discussion, a task force meeting also took place to discuss issues identified in the study. London introduced the task force during the event, which includes Charles Aull (Kentucky Chamber of Commerce), Lance Blanford (Bardstown City Schools), Daniel Carney (Springfield-Washington County Economic Development Authority), Tom Carrico (Baptist Health Hardin), Sarah Caven (Springfield-Washington County Economic Development Authority), Kirk Chadwick (Fischbach USA), Jacob Druen (Baptist Health Hardin), Meredith Dubree (Breck County United), Daniel Flory (Altec), Andy Games (Elizabethtown/Hardin County Industrial Foundation), Ashley Gibson (Wonderschool), Annie Hamilton (Meade County Chamber of Commerce), Representative Samara Heavrin (KY - 18), Brooklyn Leep (Marion County Industrial Authority), Trish Niles (Lincoln Trail Workforce Development Board), Rachel Richey (impacted mother), Kendra Scott (Hardin County Chamber of Commerce) and Christa Shouse (United Way of Central Kentucky).

The full report can be accessed by visiting ltadd.org/childcare.

###

About The Lincoln Trail Area Development District:

The Lincoln Trail Area Development District was created as a nonprofit corporation on March 23, 1968. The organization was designated as a public agency in 1972 through KRS 147A, with legislative action creating area development districts. LTADD includes the eight west-central Kentucky counties of Breckinridge, Grayson, Hardin, LaRue, Marion, Meade, Nelson and Washington. To learn more, visit ltadd.org. The LTADD Board of Directors is comprised of elected officials from the counties and communities within the District, as well as non-elected citizen members representing a cross-section of the region's social and economic institutions. To learn more, visit ltadd.org.