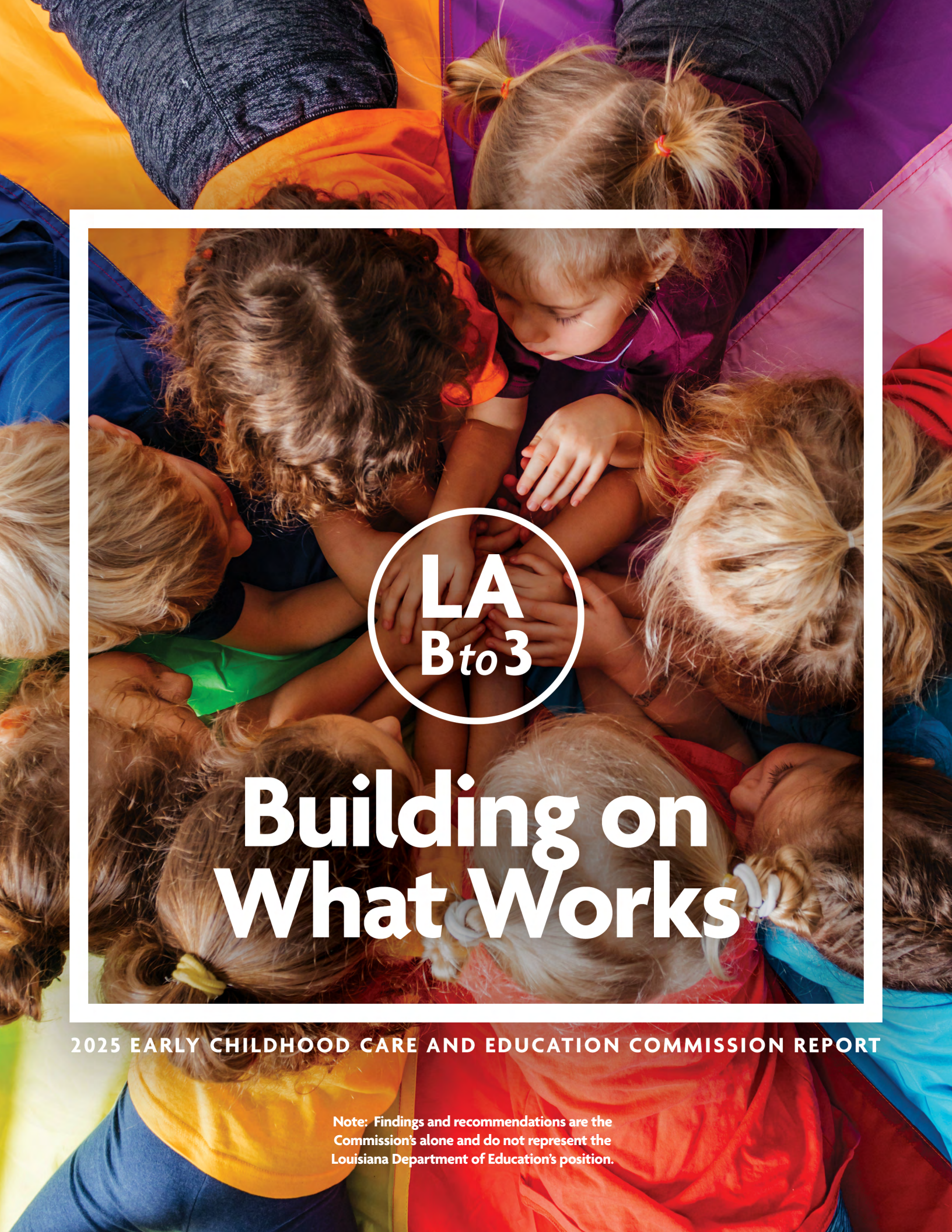




LA
B to 3

Building on What Works

2025 EARLY CHILDHOOD CARE AND EDUCATION COMMISSION REPORT

Note: Findings and recommendations are the Commission's alone and do not represent the Louisiana Department of Education's position.

Executive Summary

Louisiana's economy is poised to grow significantly, adding more than 50,000 new and retained jobs in the coming years.¹ **Working parents will be a crucial part of the workforce** that fills those jobs – but in order to play their part in Louisiana's economy, **these working parents must have access to affordable, high-quality early childhood education (ECE)**. Securing high-quality, affordable ECE is **particularly challenging for parents of children ages birth to three**, as these services are the most expensive to provide and the hardest to find.

Lack of ECE puts a huge strain on both families and employers. When ECE is unavailable, workers are more likely to miss days of work, reduce work hours, accept jobs with lower wages, turn down promotions, or leave the workforce altogether, which **costs Louisiana employers \$762 million each year and guts \$1.3 billion from our state's annual economy**.²

For Louisiana's economy to thrive, we must meet the needs of our state's workforce by building a stronger, more affordable early childhood education system.

Fortunately, **we already have a foundation of investment** in place. Since 2018, forward-thinking legislators have:

- Dedicated five specific revenue sources³ for an **Early Childhood Education Fund (ECE Fund)** that matches the efforts of local communities to expand availability, and seeded the Fund with \$40 million in 2022.⁴
- Used the ECE Fund to incentivize the **growth of local investment** in early childhood education in 14 parishes, which raised nearly \$30 million in 2025-2026.⁵
- Increased **state investment** in CCAP from \$11.2 million in SFY 2020⁶ to \$78.5 million in SFY 2026.⁷
- Passed Act 454 in 2025⁸, deploying innovative **Workforce Child Care Tax Credits** that make it easier for businesses to help increase early education options and affordability for working parents.

These are solid building blocks on which to continue forging our future. With that in mind, the Early Childhood Care and Education Commission makes the following recommendations to Louisiana's Legislature:

- **Recommendation: Invest an additional \$95 million of state funds in our state's early childhood programs for birth-to-three-year-olds now and an additional \$95 million annually for the next 10 years, to gradually grow and sustain state investment in ECE each year.** This level of investment will ensure that Louisiana will increase the number of children served from 18% to 66.6%.
- **Recommendation: Invest \$30 million in the Early Childhood Education Fund now and ensure that the state meets its matching fund obligation each year by codifying the annual match into law.** The ECE Fund has proven its ability to attract local funding for early education, thereby helping to stabilize local workforces in Louisiana parishes. However, based on current projections, the dedicated revenue streams for the ECE Fund will not generate the \$30 million required to meet our state's commitments over the next fiscal year.
- **Recommendation: Continue to adopt business-friendly policies, such as the Workforce Child Care Tax Credits, that provide incentives for employers to invest in early childhood education for their employees and communities.** The tax credits approved in 2025 are key to engaging businesses and improving workforce stability. As new, innovative models and partnerships emerge, Louisiana should be poised to embrace them.

¹ Peschler, K. (2025). Louisiana is Positioned to Win. Business Facilities, July/August. Available online at <https://businessfacilities.com/louisiana-is-positioned-to-win>.

² Louisiana Policy Institute for Children. (2021). Child Care and the Economy in Louisiana. Available online at <https://policyinstitute.org/research/child-care-and-the-economy-in-louisiana/>.

³ The five revenue sources for the ECE Fund include land-based casinos, [Act 171](#), 2019; CBD, [Act 247](#), 2019; fantasy sports betting, [Act 34](#), 2020; Pelicans license plates, [Act 118](#), 2021; and sports betting, [Act 435](#), 2021.

⁴ ECE Fund Appropriation, [Act 167](#), 2022.

⁵ [Act 10](#), 2019.

⁶ Board of Elementary and Secondary Education (BESE) [Allocation](#), June 2022; Board of Elementary and Secondary Education (BESE) [Allocation](#), June 2025.

⁷ [Act 1](#), 2025.

⁸ [Act 454](#), 2025.

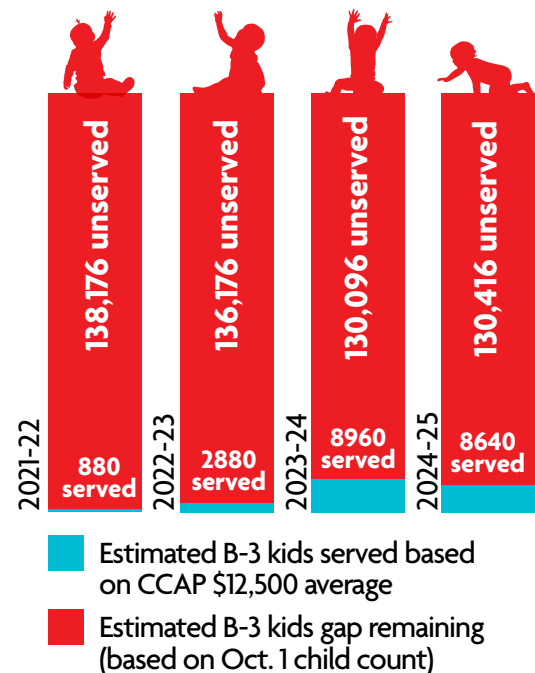
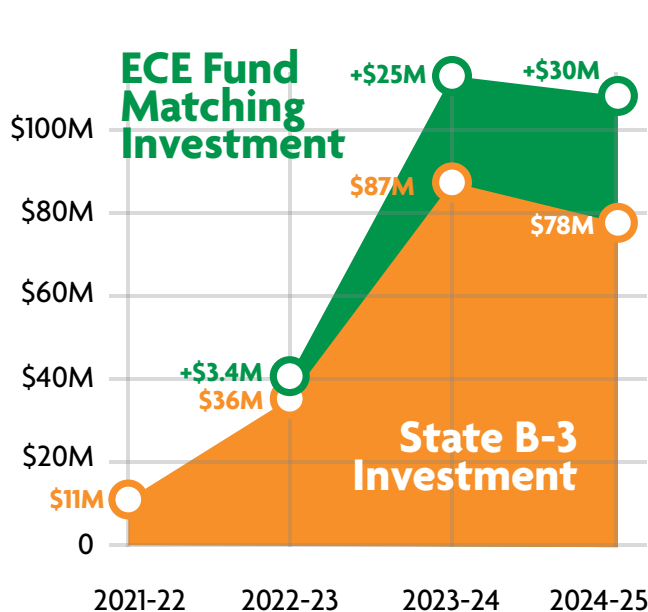
Building on What Works

The Foundation for Louisiana's Economy

Louisiana's economy is growing, with \$87.6 billion in potential capital expenditures and more than 50,000 new and retained jobs projected in the coming years.⁹ To fill those jobs, Louisiana's economy needs a strong and stable workforce. Working parents are a cornerstone of that workforce – but only when they have access to affordable high-quality early childhood education (ECE). Securing high-quality, affordable ECE is particularly challenging for parents of children ages birth to three, as these services are the most expensive to provide and the hardest to find.

Two-thirds of Louisiana's children under age five have all available parents in the workforce. When working parents have access to affordable ECE, they are more productive, reliable, and engaged members of the workforce. When ECE is unavailable, workers are more likely to miss days of work, reduce work hours, accept jobs with lower wages, turn down promotions, or leave the workforce altogether, which **costs Louisiana employers \$762 million each year and guts \$1.3 billion from our state's annual economy.**¹⁰

Affording high-quality ECE is not easy. The average cost of child care in Louisiana is \$1,183 per month – more than \$14,000 per year.¹¹ And although most families cannot afford the price tag without some form of assistance, demand for ECE remains high, with nearly 3,500 birth-to-three-year-olds on the waiting list for Louisiana's Child Care Assistance Program (CCAP)¹² and approximately 100,000 more unserved.¹³



⁹ Peschler, K. (2025). Louisiana is Positioned to Win. Business Facilities, July/August. Available online at <https://businessfacilities.com/louisiana-is-positioned-to-win>.

¹⁰ Louisiana Policy Institute for Children. (2021). Child Care and the Economy in Louisiana. Available online at <https://policyinstitutela.org/research/child-care-and-the-economy-in-louisiana/>.

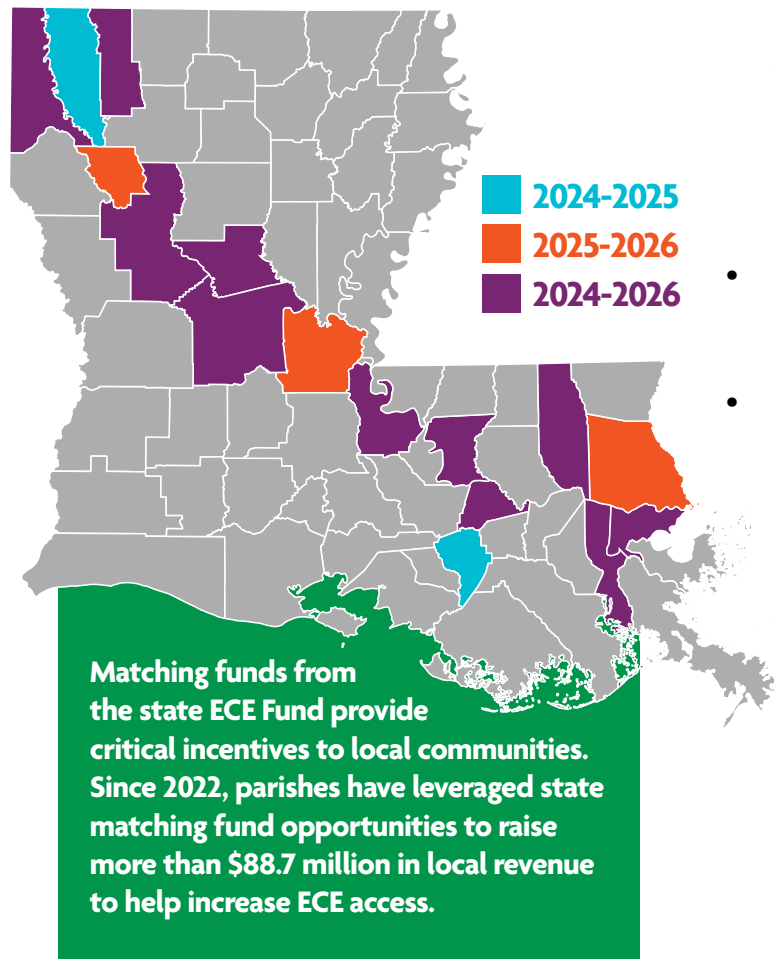
¹¹ \$14,000 per year is the average cost for families not receiving a subsidy, according to the Louisiana Policy Institute for Children's 2024 Parent Poll. The rate provided by the State of Louisiana for CCAP seats is \$12,500. For more cost information, see <https://policyinstitutela.org/research/just-out-of-reach-louisiana-working-families-continued-struggle-to-access-afford-child-care/>.

¹² LDOE CCAP Waitlist Statistics, July 2025.

¹³ LDOE October 2024 Child Count.

For Louisiana's economy to thrive, we must meet the needs of our state's workforce by building a stronger, more affordable early childhood education system.

Successful Building Blocks



Since this Commission's launch in 2018, Louisiana has begun building an ECE system that can secure its economy for years to come. Thanks to forward-thinking members of the legislature, our state has:

- Dedicated five specific revenue sources¹⁴ for an Early Childhood Education Fund (ECE Fund) that matches the efforts of local communities to expand availability, as well as seeded the Fund with \$40 million in 2022.¹⁵
- Used the ECE Fund to incentivize the growth of local investment in early childhood education, from 4 parishes raising more than \$3 million in local funds and increasing ECE access in 2022-2023 to 14 parishes raising nearly \$30 million in 2025-2026.¹⁶ [View your parish's progress online here.](#)
- Increased state investment in CCAP from \$11.2 million in SFY 2020¹⁷ to \$78.5 million in SFY 2026.¹⁸
- Passed Act 454 in 2025¹⁹, deploying Workforce Child Care Tax Credits that make it easier for businesses to help increase early education options and affordability for working parents.

These are solid building blocks for a growing ECE system that supports Louisiana's workforce – and a great foundation on which to continue building.

¹⁴ The five revenue sources for the ECE Fund include land-based casinos, [Act 171](#), 2019; CBD, [Act 247](#), 2019; fantasy sports betting, [Act 34](#), 2020; Pelicans license plates, [Act 118](#), 2021; and sports betting, [Act 435](#), 2021.

¹⁵ ECE Fund Appropriation, [Act 167](#), 2022.

¹⁶ Board of Elementary and Secondary Education (BESE) [Allocation](#), June 2022; Board of Elementary and Secondary Education (BESE) [Allocation](#), June 2025.

¹⁷ [Act 10](#), 2019.

¹⁸ [Act 1](#), 2025.

¹⁹ [Act 454](#), 2025.

Innovative Approaches for Growth

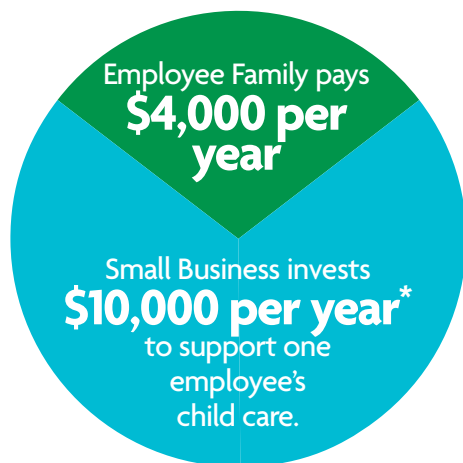
Louisiana's Workforce Child Care Tax Credits lead the nation in terms of innovative approaches to sharing the cost of quality early childhood education. Cost-sharing models combine public funds with contributions from employers and families. In Louisiana, businesses can voluntarily contribute up to \$10,000 per child annually or spend up to \$100,000 annually to purchase child care slots. In exchange, businesses can claim up to 50% of their expenditures in credits per year from the state. This means no single entity bears the cost of ECE, making it more affordable for all.



Average annual cost of early childhood education per child =

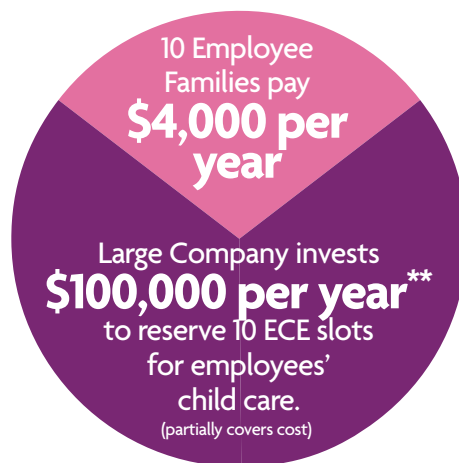
\$14,000²⁰

SCENARIO 1:



*State invests (via business tax credit)
\$5,000 each year

SCENARIO 2:

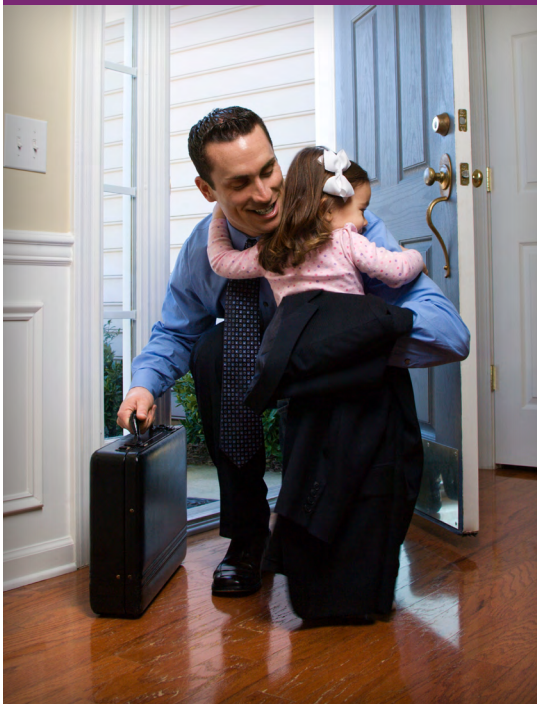


**State invests (via business tax credit)
\$50,000 each year



²⁰ \$14,000 per year is the average cost for families not receiving a subsidy, according to the Louisiana Policy Institute for Children's 2024 Parent Poll. The rate provided by the State of Louisiana for CCAP seats is \$12,500. For more cost information, see <https://policyinstitute.org/research/just-out-of-reach-louisiana-working-families-continued-struggle-to-access-afford-child-care/>.

Securing a Strong and Stable Workforce



High-quality ECE is only possible with a highly-trained, skilled, and properly compensated early childhood workforce. Right now, most early childhood educators in Louisiana earn an average \$12 per hour, which is insufficient to cover basic needs. A more intentional ECE funding system, driven by a funding formulary, would ensure that Louisiana can provide funding that is:

- **Stable** and predictable for providers and families;
- **Aligned** across multiple funding streams throughout the system;
- **Adequate for quality** care and education;
- **Targeted** to specific priorities and child and family needs; and
- **Transparent** about how funding amounts are calculated and distributed.

A well-designed funding formulary can strengthen the foundation of the early childhood system, giving providers a predictable source of revenue to help them open more seats, enabling more families to access quality care, and helping employers rely on a stable and supported workforce. Some Louisiana ECE stakeholders have begun to consider components for a [long-term funding model](#) that includes appropriate compensation to stabilize and continue to professionalize our state's ECE workforce.

“Continuing to invest in high-quality ECE is one of the smartest things we can do – not just for our kids, but for the strength of our state now and in the years to come.”

- SENATOR RICHARD PHILLIP EDMONDS JR.,
DISTRICT 6

“ECE is a top priority for me as a legislator because it is the foundation for everything else we strive to achieve – growing our workforce, preparing children to succeed in school, and expanding opportunity and earning potential for Louisiana families.”

- REPRESENTATIVE KIM CARVER,
DISTRICT 89



Continued Prosperity

Building a strong ECE system does not just help Louisiana's economy today – we will also see benefits far into the future. ECE engages the most critical years of brain development and lays the foundation for a lifetime of educational and economic success, such as improved literacy skills, higher graduation rates, and better health outcomes as adults. That means our future workforce will be ready and able to deliver enhanced prosperity for Louisiana.

“Early childhood education is where the journey for a better workforce and economy begins. I’m proud that Louisiana has continued to show a strong commitment to our children. Let’s keep that momentum!”

- REPRESENTATIVE JULIE EMERSON, DISTRICT 39

“Although we have made some progress, too many children still are unable to access early learning programs. High-quality ECE is proven to increase long-term academic performance and reduce the need for remedial services. By investing early, we invest in our future.”

- REPRESENTATIVE BARBARA REICH FREIBERG, DISTRICT 70

“A strong ECE system equips children for lifelong success and empowers parents to fully participate in the workforce. The payoff is enormous – stronger families, higher graduation rates, and a skilled, dependable workforce that drives our economy.”

**- WILL GREEN, PRESIDENT AND CEO,
LOUISIANA ASSOCIATION OF BUSINESS AND INDUSTRY**



Building on What Works

To keep Louisiana's workforce engaged and our economy growing, we must build on what works to support working parents. ECE strategies work best when everyone collaborates, and the recommendations below provide the blueprint for moving forward to stabilize the workforce and support working families.

Recommendations for Louisiana's Legislature

The Early Childhood Care and Education Commission makes the following recommendations to Louisiana's Legislature:

- **Recommendation: Invest an additional \$95 million of state funds in our state's early childhood programs for birth-to-three-year-olds now and an additional \$95 million annually for the next 10 years, to gradually grow and sustain state investment in ECE each year.** While cost-sharing and other innovative models will help many working families, more investment will ensure every family can get the quality ECE they need. This level of investment will ensure that Louisiana will increase the number of children served from 18% to 66.6%.
- **Recommendation: Invest \$30M in the Early Childhood Education Fund now and ensure that the state meets its matching fund obligation each year by codifying the annual match into law.** Based on current projections, the dedicated revenue streams for the ECE Fund will not generate the \$30 million required to meet our state's commitments over the next fiscal year. The ECE Fund has proven its ability to attract local funding for early education, thereby helping to stabilize local workforces in Louisiana parishes. Codifying the Fund into law will increase trust and engagement in the Fund throughout the state.
- **Recommendation: Continue to adopt business-friendly policies, such as the Workforce Child Care Tax Credits, that provide incentives for employers to invest in early childhood education for their employees and communities.** The tax credits approved in 2025 are key to engaging businesses and improving workforce stability. As new, innovative models and partnerships emerge, Louisiana should be poised to embrace them.



Building on What Works (cont'd)

While investments from the state are vital to expanding ECE to stabilize and grow Louisiana's workforce, employers also have an important role to play. Louisiana's business community can:

- **Fully take advantage of Workforce Child Care Tax Credits** to ensure their workers have access to quality, affordable ECE.
- **Encourage policymakers to continue investing in cost-sharing models** and other innovative ideas that make early childhood education more affordable for everyone.
- **Share with policymakers the importance of access to quality ECE** for their current and future workforce.

Over the past six years since the first state investment in B-3 ECE, our state has made some significant strides to grow and stabilize our workforce and our economy, such as the M.J. Foster Promise and LDOE's Jump Start program. Investments in access to quality ECE go hand-in-hand with these programs – and will strengthen their impact by removing ECE access barriers to streamline the pathways to kindergarten success and, ultimately, to workforce readiness.

Louisiana's economy needs a stable labor force to thrive. Parents of young children are a vital part of that labor force. Quality ECE is essential for parents who work. Therefore, when we invest in quality ECE for Louisiana's working parents, we are building a stronger workforce for today and preparing our children for workforce success tomorrow.

Louisiana has already put some components of a strong ECE system in place. Now is the time to build on what works, to expand and strengthen Louisiana's ECE system further, so that Louisiana's children, families, businesses, and economy can thrive.

“I’ve seen this impact firsthand: when working parents in our communities have access to reliable ECE options, absenteeism drops, productivity rises, and businesses can retain the talent they need.”

- MANDI MITCHELL, PRESIDENT AND CEO, LAFAYETTE ECONOMIC DEVELOPMENT AUTHORITY



Building on What Works

Early Childhood Care and Education Commission Members

Co-Chairs: Sen. Beth Mizell and Rep. Barbara Reich Freiberg

Conrad Appel
Dr. Judy Armstrong
Karen Austin
Sen. Regina Barrow
Maria Blanco
Mark Bond
Susannah Boudreaux
Barry Carter
Dana Comeaux
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Dr. Cynthia F. DiCarlo
Rachel Dugas
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Brooke E. Huddleston
Mary Beth Hughes
Dejunne' Clark Jackson
Dr. Mistie Perry Lasseigne
Ruth Lawson
Dr. Timothy Magner
Sen. Beth Mizell

Caroline Oglesby
Pheriche Perkins
LeeAnn Price
Caitlyn Robinson
Monique Rouege
Monique Scott-Spaulding
Dr. Libbie Sonnier
Melissa Stilley
Marcus S. Thomas
Michael Tipton
Nancy Tooraen
Kahree Wahid
Shenoa Warren
Rochelle Wilcox

The Louisiana Department of Education's (LDOE's) Office of Early Childhood Care and Education worked with the Early Childhood Care and Education Commission's legislative chairs to provide experts, resources, and presentations for three Commission and three Task Force meetings. Every meeting was open to the public, and a recording was made available. The video link and meeting agenda were posted according to the State's open meeting law. Archived video links, agenda, and materials are publicly available on <https://doe.louisiana.gov/>.