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Louisiana Policy Institute for Children Releases Findings on $245 Million Collective Loss and Cascading Challenges for Louisiana Child Care Providers Due to COVID-19

NEW ORLEANS, LA. (March 30, 2021) — This morning, the Louisiana Policy Institute for Children (LPIC) released findings from the fourth survey of child care providers. The report, titled “New Year, Same Challenges: The Continued Impacts of COVID-19 on Louisiana Child Care Providers,” shows child care providers in Louisiana continue to face cascading challenges resulting from the COVID-19 pandemic, including collective losses totaling almost $245 million.

“Our most recent findings reiterate what we’ve witnessed firsthand over the last year, namely that further action is necessary to restore the early care and education sector to the level necessary to support businesses, working families and Louisiana’s full economic recovery from COVID-19,” said Dr. Libbie Sonnier, executive director of LPIC. “As we see it, the most immediate next step to create a long-term, sustainable source of funding is to advocate for the allocation of state revenues from sports betting, both in-person and online, to the Early Childhood Education Fund in the upcoming legislative session.”

Other key findings from the survey highlight that the financial outlook for providers remains bleak as losses continue to grow, as most providers borrowed funds to pay for business expenses and experienced families being behind on tuition payments. The financial challenges of remaining open are exacerbated by operational challenges facing providers and temporary closures resulting from potential or confirmed COVID-19 cases. Over the course of the pandemic, providers experienced higher costs for cleaning supplies, difficulty obtaining needed supplies and increased employee absences. These factors, along with lower enrollment rates, leave Louisiana child care providers uncertain of their ability to remain open in the long term.

“These findings further speak to the fact that investing in the child care sector is fundamental to our state’s success,” said State Rep. Polly Thomas (R). “Families in Louisiana need affordable, reliable child care to support parents who are working, in school or looking for employment and help young children succeed both in school and later on in their lives.”

These January 2021 survey results, along with previous research, show working parents still need access to reliable, affordable child care. Therefore, it is critical that the child care sector be able to fully rebound to pre-pandemic levels of service for families because a full state recovery relies on a robust child care industry.

The supports provided to early care and education providers throughout the pandemic postponed more drastic consequences for centers and families. However, these resources were still not enough to offset increased costs or fully protect against the enrollment, staffing and purchasing challenges facing providers, many of whom continue to struggle to keep their doors open.

To ensure that Louisiana’s child care sector can fully recover and support working parents and their employers in the long term, LPIC recommended the continued issuance of grants, purchase of cleaning supplies and personal protective equipment and wage enhancement for child care workers, most of whom make less than $10 an hour on average, or only $20,000 a year. In addition, the organization stressed the necessity to expand access to the Child Care Assistance Program (CCAP), base provider payments on enrollment and increase outreach to families of young children who are eligible for CCAP.
State Rep. Aimee Adatto Freeman (D) said, “Today’s findings strengthen my resolve that early child care is a critical need for all Louisiana families. I believe the legislature will have a bipartisan approach to bring our children equal access to high quality early child care. Working families, local businesses and child care providers are all relying on us to secure and maintain federal funds. Strategic and smart investments of state funds will also bring our children the foundations for success and growth. Early child care matters to all Louisianans.”

The survey was conducted Jan. 13-27, 2021, while Louisiana remained in Phase Two of reopening in partnership with Agenda for Children, Child Care Association of Louisiana, Childcare Connections for Northeast Louisiana, Louisiana Association of United Ways, Northwestern State University, On Track by 5 Alliance, Pointe Coupee Early Childhood Coalition, United Way of Southeast Louisiana and Volunteers of America. Complete findings from “New Year, Same Challenges: The Continued Impacts of COVID-19 on Louisiana Child Care Providers” can be found here. For more information on LPIC, please visit:

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**About Louisiana Policy Institute for Children:**

*Louisiana Policy Institute for Children is a 501(c)(3) nonpartisan, nonprofit organization dedicated to ensuring that Louisiana's young children, from birth to age four, are best prepared for success in school and in life. The Policy Institute develops policy proposals informed by data, research, best practices and the experiences of other states to improve the outcomes of Louisiana’s youngest citizens, and further provides educational and outreach activities based on recommended policy solutions. The organization works to ensure children are safe, healthy and have opportunity to reach their full potential. For more information, visit www.policyinstitutela.org and follow the Louisiana Policy Institute for Children on Facebook and Twitter.*