KENTUCKY

Child Care Usage in Kentucky:

- There are 844,643 children under age 15 (274,874 under age 5 and 569,769 between the ages of 5 and 14) in Kentucky who may require paid child care services.

- About 168,460 children under age 15 are in paid care—74,013 (26.9%) under age 5 and 94,586 (16.6%) between the ages of 5 and 14.

- The average annual cost of care for an infant is $6,194 in a child care center and $5,411 in a family child care home.

- The average annual cost of care for a 4 year old is $NA in a child care center and $NA in a family child care home.

- The average annual cost of infant center-based care is 71.3% of the cost of tuition and fees at a 4-year college.

Child Care Industry Impact in Kentucky:

- There are 7,580 child care establishments with revenue of $429.6 million. This includes 6,514 sole proprietors (family child care home operators) and 1,066 child care centers employing 13,441 individuals.

- $429.6 million in direct output generated within the organized child care industry is estimated to support about $380 million in additional indirect and induced output in other industry sectors, for an estimated combined total of approximately $810 million in output in Kentucky’s economy.

- In terms of employment, 19,955 proprietors and wage and salary employees working in the child care sector are estimated to support about 6,300 jobs in other industry sectors through indirect and induced effects.

- The $222.6 million in employee compensation and proprietors’ earnings generated directly within the child care industry is estimated to support approximately $160 million in additional indirect and induced earnings across the state.

- Total federal and state child care assistance (both direct subsidies and tax credits) represents 47.8% of child care industry revenue.

The Link Between the Paid Child Care Sector and the State Economy

- The cost of organized care is a significant challenge for many parents with children.

- Access to the organized child care market can increase labor force participation and support state and regional economic growth.

- Increased subsidy payments trigger state level responses in wage rates, the mix of low- and high-skilled labor used in the state, prices of goods and services, and trade flows.