

# WHY NEW ORLEANS NEEDS LEGISLATORS TO DEDICATE SPORTS BETTING TAX REVENUES TO THE LOUISIANA EARLY CHILDHOOD EDUCATION FUND

As a member of the Ready Louisiana Coalition, the New Orleans Campaign for Grade-Level Reading joins a bipartisan group of more than 95 Chambers of Commerce, civic organizations, and advocacy organizations in urging Louisiana legislators to:

- **Appropriate \$86 million to expand access** to quality early care and education programs for Child Care Assistance Program-eligible families.
- **Create a robust source of ongoing funding to the Louisiana Early Childhood Education Fund** by committing all revenues from sports betting, both in-person and online.
- **Continue to use federal stimulus funds to stabilize the early care and education sector**, which is critical to our economy and which has lost hundreds of millions of dollars since the beginning of the pandemic.

## WHAT IS THE LOUISIANA EARLY CHILDHOOD EDUCATION FUND?

The Louisiana Early Childhood Education Fund was created in 2017 to **provide state matching dollars for local communities that invest in early care and education**. The Fund was designed to address the fact that fewer than 15% of in-need children under age four have access to a quality early care and education. The Fund, however, went unfunded.

Since 2017, the City of New Orleans has invested nearly \$7M in local tax dollars to expand access to quality early care and education for infants and toddlers and allow their parents to pursue education and go to work. **To date, the state has not matched a dime.**

When sports betting was put on local ballots, voters were told revenue from it would be used for early childhood education. **It is time for the Louisiana Legislature to make good on this promise.**

*Learn how establishing a funding source for the Louisiana Early Childhood Education Fund would impact New Orleans.*



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## BENEFITS FOR CHILDREN, FAMILIES, SCHOOLS, BUSINESSES, & THE ECONOMY

If taxes from sports betting are committed to the Louisiana Early Childhood Education Fund, it will benefit New Orleans children, their families, our schools, businesses, and economy.

A dollar-for-dollar match for the city's investment in the New Orleans City Seats program could generate the following over the next 10 years:

- **Increase the availability of high-quality early care and education** for infants and toddlers from low-income families in New Orleans by 18%.
- **Provide full-day, year-round high-quality early care and education and wraparound supports** for up to 400 additional children annually, allowing parents to go to work.
- **Create stable funding for at least 20 high-quality early care and education providers** – across every neighborhood – that already serve more than 1,000 children.
- **Generate \$5.34M in additional investment annually in our local economy** and strengthen local small businesses owned by women of color.<sup>1</sup>
- **Add training and professional development for more than 80 local early care and education teachers** who work with more than 400 children annually.
- **Result in an annual return of up to \$39M** in increased tax revenues and decreased tax dollars spent on social services, education, and public safety over time.<sup>2</sup>

1: This figure is calculated based on a study that found that child care businesses generate \$1.78 in purchased goods and services in the local economy for every \$1 invested in them. Original study is available at: [https://www.researchgate.net/publication/255617816\\_A\\_Spatial\\_Analysis\\_of\\_the\\_Formal\\_Childcare\\_Sector\\_in\\_Kansas](https://www.researchgate.net/publication/255617816_A_Spatial_Analysis_of_the_Formal_Childcare_Sector_in_Kansas)

2: This figure is based on research by Nobel Laureate Economist James Heckman, who found a 13% return on investment in high-quality early care and education programs. For more, visit: <https://heckmanequation.org/resource/13-roi-toolbox/>