



EXHIBIT D

House Children and Youth Subcommittee

September 13, 2024



MISSION

Excel by Eight partners with families and communities to improve health and education outcomes for Arkansas children from prenatal to age eight.

Excel by 8 2020 Task Force Members

In October 2020, a group of 9 chambers of commerce and economic development organizations and 8 philanthropic organizations came together as the Arkansas Early Childhood Education Task Force to assess the early childhood education landscape in the state.

Arkansas Community Foundation

Arkansas Impact Philanthropy

Batesville Area Chamber of Commerce

Excellerate Foundation

Fayetteville Chamber of Commerce

Greater Bentonville Area Chamber of Commerce

Little Rock Regional Chamber of Commerce

Mississippi County Economic Development Commission

Morrilton Area Chamber of Commerce

Mountain Home Chamber of Commerce

Northwest Arkansas Council

Rogers-Lowell Chamber

Springdale Chamber of Commerce

United Way of Northwest Arkansas

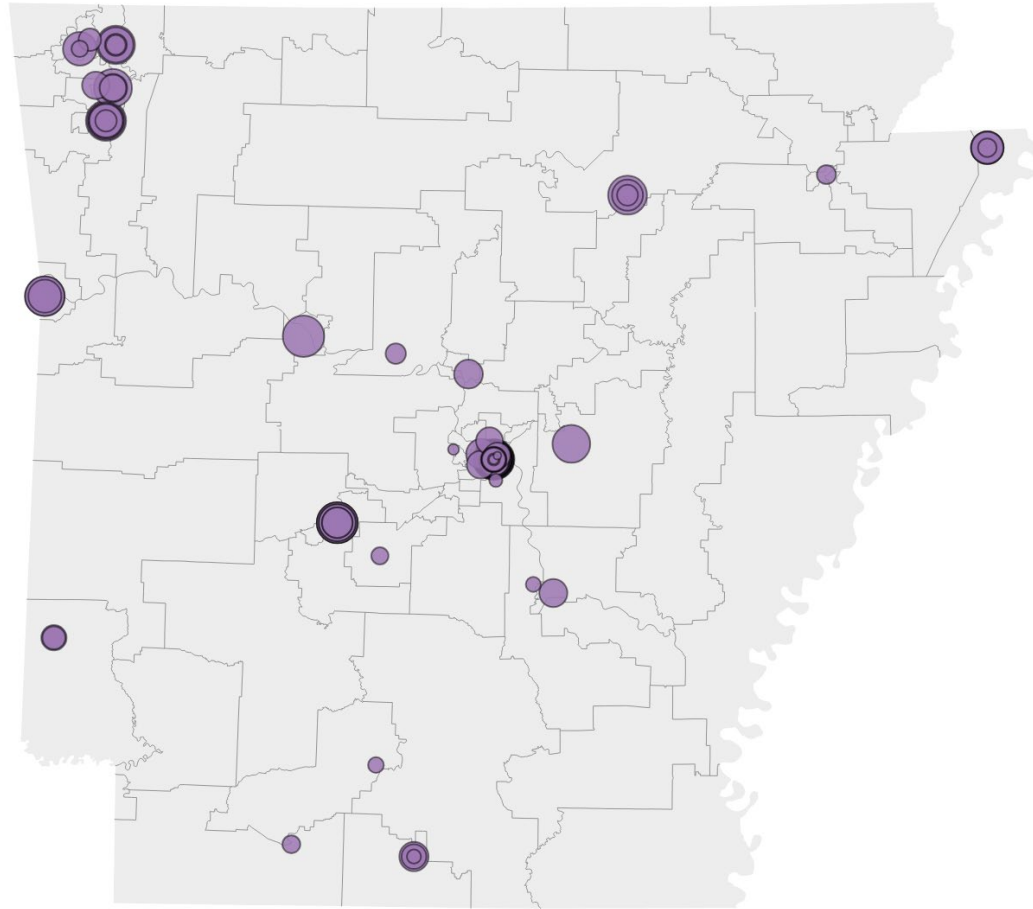
Winthrop Rockefeller Foundation

Women's Foundation of Arkansas

Business Coalition has 75+ members

Excel by Eight Business Coalition Members

by House District



Source: Excel by Eight • Created with Datawrapper

Simple Child Care Math



Strong Families

+

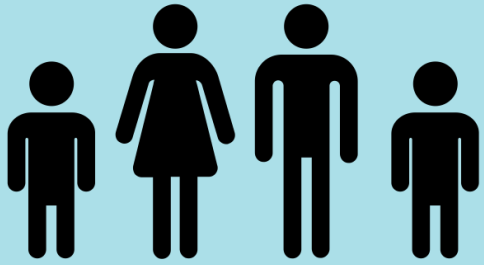


Strong Businesses

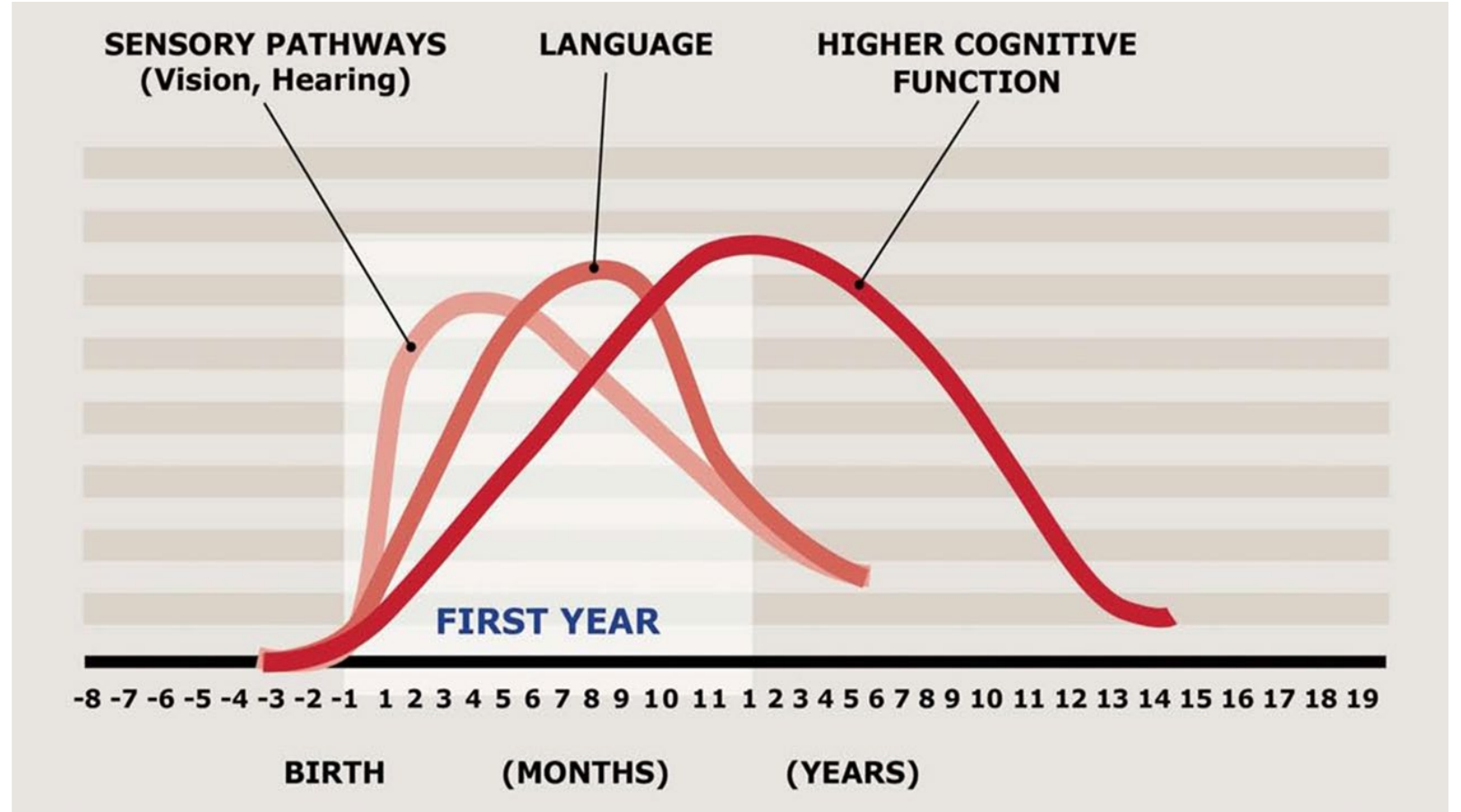
=

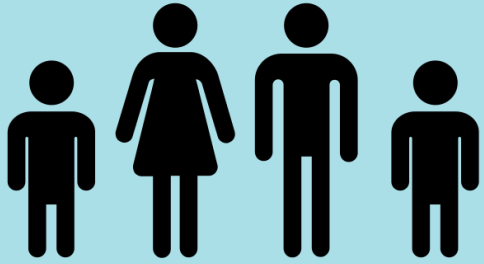


Strong Economy



More brain development occurs by age 3 than at any other time in a person's life.





The cost of child care in Arkansas consumes 29% of the average Arkansan's income.

Median annual cost of child care in Arkansas^o

	Median	High - quality
Infant	\$7280	\$10,400
Toddler	\$6934	\$9880
Preschool	\$6240	\$9360

^o UAMS and care.com



Lack of access to child care is a recognized and growing threat to workforce recruitment and retention in AR.

- AR [Workforce Participation Rate](#) is at record lows (58.5%)
- AR [productivity](#) also declined by .3% over last year
- 34% of ARs said they or someone in their household had left a job, not taken a job, or greatly changed jobs because of problems with child care in the last 12 months ([Untapped Potential in Arkansas](#))
- 43% of Gen Z parents would switch jobs for financial assistance to cover child care costs. (KinderCare survey)
- 57% of Gen Z parents would take a pay cut to work for a company that provided child care benefits.



Child Care provides a clear ROI for employers

In 2024, Boston Consulting Group and Moms F1rst released their analysis of the impact of child care benefits. They found that 1 in 3 employees balance parenthood and work.

When child care benefits were provided:

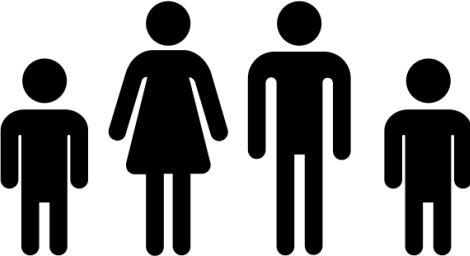
- employee satisfaction improved;
- absences reduced;
- retention increased; and
- they were a competitive differentiator among peer companies.



The child care crisis impacts families, employers, and the overall economy.

- \$1,470 -lost income tax and sales tax revenue for each parent not in the AR workforce ([ReadyNation](#) - U.S. Chamber of Commerce Foundation)
- The U.S. Chamber [estimates](#) the annual economic impact of the child care crisis in AR is \$865M.

Solving the Equation



Strong Families

+



Strong Businesses

=



Strong Economy

Solving the Equation

What do we have in Arkansas already?

- 3.9% tax credit to employers who provide on -site day care.
- Used ARP funds to increase supply of infant/toddler and afterschool care
- State has increased [voucher reimbursement rates](#) (effective 10/1)

What is the Business Coalition considering?

- 50% corporate tax credit for contributions to employees' DCAP account
- 50% corporate tax credit for guaranteed child care by a licensed provider
- Allow ECE employees who do not work for a school district to participate in ATRS (would not require state match)