

INVESTING IN CHILD CARE INFRASTRUCTURE TO STRENGTHEN GEORGIA'S COMMUNITIES



THE CHALLENGE

Often described as the “third teacher,” high-quality child care facilities play a critical role in early learning and care. Research shows that developmentally appropriate environments improve learning and development among children.¹

A 2023 statewide report from the Low Income Investment Fund (LIIF) found that Georgia child care providers often sought to upgrade or expand their facilities—such as improving kitchens, HVAC systems, and outdoor spaces—but lacked the resources to make these improvements.²

THE NEED FOR STATE INVESTMENT

The absence of dedicated funding for child care facility improvements has far-reaching implications. Many providers wish to expand capacity but cannot shoulder the high costs of renovation or construction. Because most child care programs operate as small businesses, they face significant barriers accessing commercial loans or capital financing.

The shortage of child care facilities constrains Georgia’s workforce and economy. Child care challenges cost the state an estimated \$2.52 billion in lost economic activity and \$131.7 million in lost tax revenue annually.³ When families cannot access affordable, high-quality care, they are often forced to reduce work hours, leave the workforce altogether, or relocate.

Child care challenges in Georgia lead to *at least* **\$2.52 BILLION** IN LOSSES in economic activity annually & **\$131.7 MILLION** in lost tax revenue.³

Relatively small investments in the physical infrastructure of early learning programs can go a long way in strengthening the state’s economy, supporting working families, and ensuring children have safe, engaging environments in which to thrive.

Other states have taken steps to address similar challenges:



Alabama (2024) launched a facilities grant program providing up to \$50,000 per nonprofit provider, totaling \$5 million annually.⁴



Kansas (2021) established a child care facilities grant program, funded by the Community Development Block Grant, which provides cities and counties with up to \$750,000 in grants (requiring a 25% match) to support child care facilities.⁵



Massachusetts (2013) authorized grants of up to \$1 million to improve centers serving families with low incomes.⁶



New Mexico (2022) created a forgivable loan program for licensed child care centers that converts to a grant after five years of continuous service.⁷

Georgia can build on these successful models with a program tailored to its own needs and communities.

LOCAL SPOTLIGHT

The *Promise All Atlanta Children Thrive* (PAACT) Repair and Renovation Grant Program provided grants to 74 Atlanta-based early learning providers to improve their child care facilities. These improvements ranged from the addition of a playground fence to roof repair to an entire kitchen or bathroom renovation. The common factor was this: in improving the functionality of child care facilities, the repairs and renovations increased quality for young students.

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“I never could have imagined that this safe haven would become a reality”

- PAACT Repair and Renovation Grant Recipient

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A POLICY SOLUTION: THE GEORGIA CHILD CARE FACILITIES PROGRAM

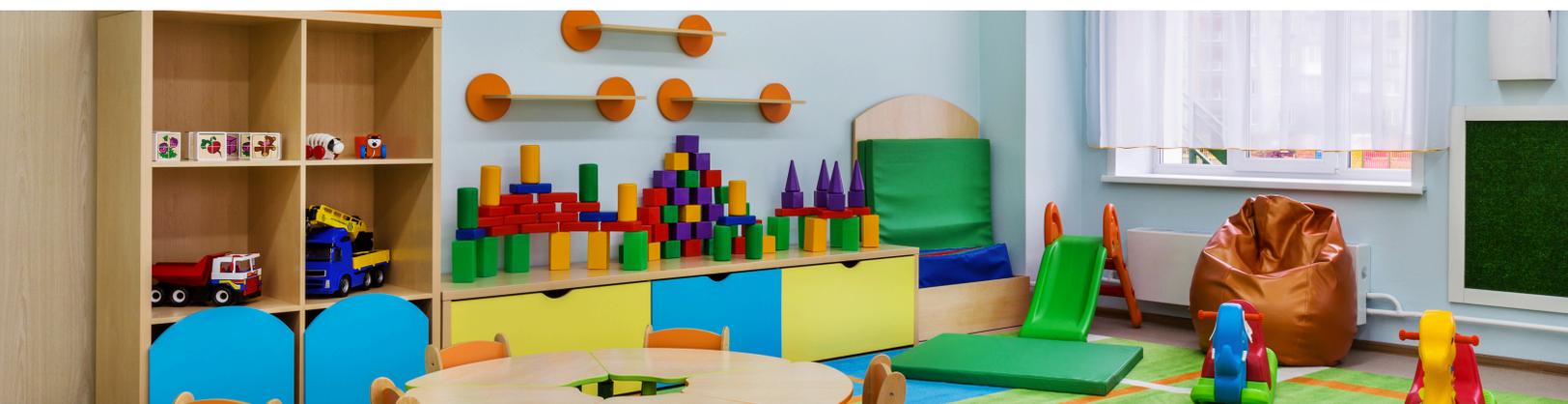
Senate Bill 554 would create a new, dedicated state funding source to expand and improve access to child care and preschool programs across Georgia. Through targeted infrastructure grants, the Georgia Child Care Facilities Program would support licensed child care learning centers and family child care learning homes in constructing, renovating, or modernizing facilities to better meet the needs of families.

Administered by the Georgia Department of Early Care and Learning (DECAL), the proposed program would be designed to ensure both accountability and accessibility. Awardees would receive technical assistance to support successful project completion and long-term sustainability. To ensure sustained impact, funded facilities would be required to operate as licensed child care programs for at least three years. Grants would be awarded competitively, with priority for providers who:

- Participate in the Childcare and Parent Services (CAPS) Program or Georgia’s Pre-K, or
- Meet at least two of the following criteria:
 - Located in a rural county (population under 50,000) with demonstrated need.
 - Located in a school district with below-average third-grade reading proficiency.
 - Serve children birth to five in inclusive environments.
 - Participate in federal nutrition programs.

BUILDING STRONGER COMMUNITIES THROUGH QUALITY CHILD CARE

Child care is not just a service—it is a form of infrastructure, as essential as housing, utilities, and transportation. Families cannot get to work without it. A well-designed, well-maintained facility supports children’s development and provides educators with safe, functional environments in which to teach. By establishing the Georgia Child Care Facilities Program, the state can build the physical foundation for stronger families, a more resilient workforce, and a more prosperous future.



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References: (1) Smith, L. & Tracey, S. (2019). *Early Learning Facilities: Moving Beyond a Culture of Low Expectations*. Bipartisan Policy Center. (2) Masur, S., Fretwell, J., & Davidoff, H. (2024). *Georgia’s Child Care Landscape: Challenges and Opportunities for Building Quality Spaces for Young Children*. Low Income Investment Fund. (3) *For Lack of Care: The Lack of Care of Economic Impact*. Metro Atlanta Chamber and GEEARS. <https://gears.org/wp-content/uploads/Opps-Lost-3.0.pdf> (4) *Alabama 2024 State Child Care Tax Credit Overview*. <https://bit.ly/47mj9nw> (5) *Kansas Department of Commerce. Non-Profit Child Care and Education Facilities*. <https://bit.ly/4epJvXE> (6) *Commonwealth of Massachusetts. Early Education and Out of School Time Capital Grants*. <https://www.mass.gov/info-details/early-education-and-out-of-school-time-capital-grants> (7) *NM Stat § 24-24-4 (2024)*. <https://law.justia.com/codes/new-mexico/chapter-24/article-24/section-24-24-4/>