

Revenue for Early Childhood In Rural States

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The following list represents some of the most rural states (determined by percentage of the population living in rural areas) that have dedicated new revenue to early childhood care and education.

Revenue Accomplishments for Early Childhood In Rural States

Kentucky

- In 2000, the Early Childhood Development Fund was [created](#), which receives 25% of Kentucky's Tobacco Settlement Revenue every year.
- The fund totals about \$30 million every year for early childhood education

South Carolina

- The South Carolina Education Improvement Act (1984) [imposed](#) a 1% sales tax that goes to a dedicated fund for education, including college scholarships, K-12, after-school and Pre-K programs.

Tennessee

- In 2002, voters in Tennessee [passed](#) the “Lottery for Education, Amendment 1” which directs lottery profits toward K-12 and Pre-K programs.
- Pre-k programs receive about \$25m annually from this fund.

Missouri

- The tobacco settlement in Missouri provides about \$35 million a year to comprehensive children's services, including Pre-K.
- [Early Childhood Development, Education, and Care Fund](#) HB 1731, 2012

Louisiana

- [Louisiana Early Childhood Education Fund](#)

- Established in 2017 to provide matching dollars to incentivize localities to invest in early care and education but was initially unfunded (HB 584).
- In 2019, the fund received an initial appropriation of \$18.8 million. By 2021, the fund was collecting revenue from several sources:
 - Sports betting - 25% of sports wagering of up to \$20 million a year. Sports betting in Louisiana is taxed between 10% to 15% depending on the type of betting;
 - Fantasy sports betting - Taxed at 8% of net revenue;
 - Hemp CBD Products - Taxed at 3%;
 - Pelicans NBA specialty license plate - Royalty fee of \$25 per specialty license plate, with 50% of the revenue going towards the ECE fund;
 - Land-based casinos - Up to \$3.6 million annually from casino revenue, contingent on casino revenue payments to the state exceeding \$65m.

Learn More

Louisiana Early Childhood Education Fund

- In Louisiana there are 173,000 children from birth to age 3 who are eligible for publicly funded early care and education programs. But two-thirds of them do not have access to the high-quality care and education they need.
- In 2017, the state legislature sought to address these disparities in access by establishing a special fund to set aside investments to support children from birth to age 3.

Louisiana Case Study: [A Perfect Match for Child Care](#)