

# ADDRESSING THE CHILD CARE CHALLENGE

Affordability | Quality | Availability

## 73%

### Parents in workforce

73% of the 44,237 North Dakota households who have children younger than age 5 likely have at least some need for child care as all available parents are in the workforce



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73% of the 44,237 North Dakota households who have children younger than age 5 likely have at least some need for child care as all available parents are in the workforce

High quality early childcare that working parents can access is in **limited supply** and largely **unaffordable**

Working parents need to **figure out child care** arrangements that work with their job and meet their family's needs

Across the U.S. **employers lose billions of dollars each year** to absenteeism and the economic burdens **attributable to inadequate child care** for their employees

Parents' decisions on **whether and how to participate** in the labor force is heavily **influenced by** the **options** their family has for child care they **trust**, they can **afford**, and they can **count on**

## #112 | EARLY CHILDHOOD TUITION WAIVER

Helping build early childhood workforce by removing cost as a barrier to higher education

**\$19.09/hr**

**Median wage of  
child care /  
preschool director**

Child care directors who work in child care centers and preschool settings are required to have appropriate credentials and qualifications, which can include higher education



## #112 | EARLY CHILDHOOD TUITION WAIVER

Helping build early childhood workforce by removing cost as a barrier to higher education

**\$6.75 million**

\$2.25 million 21-23 | \$4.5 million 23-25

Offer a tuition waiver to students who are pursuing an early childhood degree

Bachelor's or Associate's degree

- Child Development
- Early Childhood Education
- Early Childhood Special Education

Child Development Associate (CDA) credential



## #112 | EARLY CHILDHOOD TUITION WAIVER

Helping build early childhood workforce by removing cost as a barrier to higher education

**300 students**

75 students  
each year  
through the  
period of grant  
expenditure  
(four years)



# #113 | PUBLIC PRIVATE PARTNERSHIP TO INVEST IN CHILDCARE FOR WORKERS

Matching grant for employers offering a child care benefit to working parents

**% of gross household income  
dedicated to paying for child care**

**30%**

*2 adults working full time earning  
\$17/hr & \$12/hr  
Approx 60% of SMI \**

**18%**

*\$30/hr & \$20/hr  
Approx 100% of SMI*

A family of 4 who takes their children(ages 3 and 1) to an average-priced home-based group child care will pay \$1,520/month

For most working families with young children, the cost of child care represents their single largest household expense, oftentimes exceeding the cost of housing



*\*SMI = State Median Income*

# #113 | PUBLIC PRIVATE PARTNERSHIP TO INVEST IN CHILDCARE FOR WORKERS

Matching grant for employers offering a child care benefit to working parents

**\$9.6 million**

\$4 million 21-23 | \$5.6 million 23-25

Create a state match for employer-funded childcare stipends for their employees

- State ARPA dollars could match any private investment in an individual childcare benefit (i.e., stipend to employee and/or their childcare provider)
- Match rate of 2:1 for the inaugural 24-month period of implementation (Jan 2022-Dec 2024)
- State's match of private funds would reduce to 1:1 for the last 12 months of the implementation period (Jan 2025-Dec 2025)



# #113 | PUBLIC PRIVATE PARTNERSHIP TO INVEST IN CHILDCARE FOR WORKERS

Matching grant for employers offering a child care benefit to working parents

## 1,000 families

Proposed funding could support stipends for up to 1,000 working families, as identified by participating employers

- State match available for any household whose gross earnings are no more than 150% of area median income (which is roughly the income level where childcare becomes “affordable” for families, meaning the cost is no more than 7% of gross household income).
- State match is capped at \$200 / child / month; max 36-month duration





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Affordability | Quality | Availability

*By investing in greater child care  
affordability we can*

Support the economic and  
employment stability and mobility  
of working parents

AND

Help address the workforce  
shortages that plague many  
business sectors across the state

