ADDRESSING THE CHILD CARE CHALLENGE
Affordability | Quality | Availability

73%

Parents in workforce

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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**.
$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
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300 students
75 students each year through the period of grant expenditure (four years)
% of gross household income dedicated to paying for child care

30%  18%

2 adults working full time earning
$17/hr & $12/hr  $30/hr & $20/hr
Approx 60% of SMI *  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.
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)
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.
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