

Supporting Working Families | Strengthening Our Workforce

2023-25 EXECUTIVE BUDGET REQUEST FOR NEW INVESTMENT IN CHILD CARE AS A WORKFORCE SOLUTION

WHY IS CHILD CARE A WORKFORCE SOLUTION?

By addressing child care issues, we can help relieve workforce pressures across industries. When quality child care is available and affordable, it's easier for parents to work.

NORTH DAKOTA STRATEGY

Addressing child care as a barrier requires a comprehensive approach that tackles all 3 elements of the child care dilemma: **Affordability**, **Availability** and **Quality**.

North Dakota is making quality child care more available and more affordable to more working parents by making an impact investment in young children.

ND Child Care Proposal:

\$73 million | 5,000+ children and their families | 700-800 child care businesses

- ✓ Invest in families with children ages 0-3 and the child care providers who serve them.
- ✓ Grow opportunities for kids in the year before kindergarten.
- ✓ Support sustainability and success of child care entrepreneurs committed to quality.
- ✓ Help working families choose to stay working without forcing them to sacrifice quality experiences for their children.

QUALITY | \$24 million new investment

Every working parent can be a better employee when they know their child is safe and well-cared for while they're at work.

Expand Best in Class. Expand access to "Best in Class" experiences for children in the year before kindergarten so both early childhood providers and the families who are interested in participating have the resources and support needed to give kids a chance to grow, explore, and thrive.

Increase Best in Class access to 1,800 children per year (\$16 million)

Create Quality-Based Payment Tiers for Child Care Assistance. Increase choices available to working families who participate in the child care assistance program (CCAP) by paying more for care delivered in child care programs that have taken all the steps necessary to validate quality standards. A system with quality payment tiers puts working families with more modest incomes on par with families who are better able to afford the higher cost of the highest quality care.

Build quality-based payments (5-15%) into the child care assistance payment structure and invest in the infrastructure needed to support providers' continued push toward excellence in delivery of care (\$6 million)

Reward Completion of Above-and-Beyond Training. Offer professional development stipends directly to child care workers who complete "above and beyond" training in high priority content areas.

Grants and incentives to child care workers to support quality care (\$2 million)

AFFORDABILITY | \$27 million new investment

To make child care more affordable, we as a state need to connect more working families with young children to child care assistance.

Invest in the Child Care Assistance Program. Increase the number of families who receive help paying for child care, with special attention on with kids ages 0 to 3. Expand resources available to the state's child care assistance program (CCAP) to make a difference for more families in more industries in more parts of North Dakota.

Grow child care assistance participation to 3,000 children ages 0-3 (\$22 million)

Extend ND's Employer-led Child Care Cost Sharing Pilot. Expand access to the cost-share program that supports an employer-provided child care benefit to help working families with kids ages 0-3 pay for child care.

Help employers offer a child care benefit to their employees with young children (\$5 million)

AVAILABILITY | \$22 million new investment

Make it easier for working families to find child care when and where they need it.

Increase Provider Reimbursements for Infant/Toddler Care. Incentivize the availability of child care for infants and toddlers whose families receive child care assistance by increasing the rate the state pays for children younger than age 3.

Increase infant/toddler payment by 25% to make it more feasible for providers to say yes to caring for the littlest North Dakotans (\$13 million)

Streamline background checks and Reduce Administrative Burden. Streamline, automate and simplify processes and systems that affect the delivery of early childhood services, including background check processes that impact early childhood providers.

Background check process improvements (\$1 million)

Build Improved Career Pathways. Partner with CTE, K12 and higher education to increase career pathway opportunities for students interested in early childhood careers that offer them on-the-job training in partnership with local child care programs.

Provide Resources and Supports to Child Care Providers. Support a more sustainable, stable child care sector by offering grants, incentives, and shared service resources to child care businesses.

Grants, incentives, and shared service supports to child care programs (\$7 million)

Create Partnership(s) for Care during Non-Traditional Hours. Pilot ideas that make child care more available during non-typical hours. Partner with employers to identify creative solutions for working families whose jobs require non-traditional child care solutions.

Pilot partnership(s) between employer and child care program (\$1 million)