



Senate Bill 2012

Senate Appropriations Committee
Senator Brad Bekkedahl, Chairman

Supporting Working Families | Strengthening Our Workforce
An Overview of the ND Child Care Proposal

NORTH
Dakota
Be Legendary.

Health & Human Services

Why think about Child Care as a Workforce Solution?

- ✓ North Dakota has more job openings than people to fill them.
- ✓ 47% of ND job openings pay an average starting wage of less than \$25/hour.
- ✓ To thrive communities need workers who want to work in both high-skill-required and low-skill-required jobs.
- ✓ The economic realities of child-rearing affect household decisions about employment.
- ✓ There are 45,000 ND households who have children younger than age 5.
- ✓ 3 of every 4 children households with children younger than age 5 have all parents in the workforce.



In-demand occupations that require specialized training or education are found in many different sectors of the economy

IN-DEMAND OCCUPATIONS

EDUCATION

- Instructional Coordinators
- Librarians & Media Collections Specialists
- Teachers
 - Secondary School Teachers
 - Elementary School Teachers
 - Career/Technical Education Teachers, Secondary School
 - Middle School Teachers, Except Special & Career/Tech Ed
 - Kindergarten Teachers, Except Special Education
 - Special Education Teachers
 - Kindergarten, Elementary, Secondary School
 - Preschool Teachers, Except Special Education
 - Health Specialties Teachers, Postsecondary
 - Teaching Assistants, Except Postsecondary

HEALTHCARE

- Athletic Trainers
- Dental Assistants
- Dental Hygienists
- Diagnostic Medical Sonographers
- Dietitians and Nutritionists
- Massage Therapists
- Medical Assistants
- Nursing Assistants
- Nurse
 - Licensed Practical & Licensed Vocational Nurses
 - Registered Nurses
- Occupational Therapists
- Occupational Therapy Assistants
- Phlebotomists
- Physical Therapist Assistants
- Psychiatric Aides
- Respiratory Therapists
- Skincare Specialists
- Technologists & Technicians
 - Cardiovascular Technologists & Technicians
 - Clinical Laboratory Technologists & Technicians
 - Emergency Medical Technicians & Paramedics
 - Pharmacy Technicians
 - Nuclear Medicine Technologists
 - Ophthalmic Medical Technicians
 - Radiologic Technologists and Technicians
 - Surgical Technologists
 - Veterinary Technologists and Technicians

ENGINEERING & ARCHITECTURE

- Civil Engineers
- Civil Engineering Technologists & Technicians
- Electrical Engineers
- Mechanical Engineers

MANAGEMENT

- Construction Managers
- General & Operations Managers
- Industrial Production Managers
- Medical & Health Services Managers
- Sales Managers

FINANCIAL

- Accountants and Auditors
- Bookkeeping, Accounting, & Auditing Clerks
- Financial Managers
- Management Analysts
- Operations Research Analysts
- Statisticians
- Tax Preparers

SALES

- Securities, Commodities, & Financial Services Sales Agents
- Sales Representatives, Wholesale & Manufacturing, Technical & Scientific Products

TRANSPORTATION

- Commercial Pilots
- Heavy & Tractor-Trailer Truck Drivers

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SKILLED TRADE

- Automotive Service Technicians & Mechanics
- Butchers & Meatcutters
- Carpenters
- Chefs & Head Cooks
- Crane & Tower Operators
- Diesel Technician
 - Industrial Machinery Mechanics
 - Bus & Truck Mechanics & Diesel Engine Specialists
 - Farm Equipment Mechanics & Service Technicians
- Electricians
- Firefighters
- Hairdressers, Hairstylists, & Cosmetologists
- Heating, Air Conditioning, & Refrigeration Mechanics & Installers
- Machinist
- Plumbers, Pipefitters, & Steamfitters
- Power Plant Operators
- Precision Agriculture Technicians
- Welders, Cutters, Solderers, & Brazers
- Wind Turbine Service Technicians

PROFESSIONAL/OTHER

- Compliance Officers
- Human Resources Managers
- Human Resources Specialists
- Paralegals and Legal Assistants
- Public Relations Specialists
- Market Research Analysts and Marketing Specialists
- Training and Development Specialists

SOCIAL SERVICES

- Child, Family, & School Social Workers
- Childcare Workers
- Community & Social Service Specialists
- Educational, Guidance, & Career Counselors & Advisors
- Healthcare Social Workers
- Marriage & Family Therapists
- Mental Health & Substance Abuse Social Workers
- Police & Sheriff's Patrol Officers
- Social & Community Service Managers
- Social & Human Service Assistants
- Substance Abuse, Behavioral Disorder, & Mental Health Counselors

Registered Apprenticeship Programs (RAP) are considered in-demand jobs per guidance under the United States Department of Labor. For a complete listing of RAPs in North Dakota, go to: joband.com/job-seeker/apprenticeships

The in-demand occupations list was primarily created using long-term employment projections from the North Dakota Labor Market Information Center and supplemented by data from the U.S. Bureau of Labor Statistics. The list is reviewed and updated annually by the Workforce Development Council with assistance from Job Service North Dakota. The list is primarily comprised of occupations that typically require some postsecondary education up to and including a Bachelor's degree. The factors used in creating the list are below:

- Total Employment (2021)
- Ten-year Numeric Job Growth (2020-2030)
- Annualized Job Growth Rate (2020-2030)
- Annual Job Openings (2020-2030)
- Average Annual Wages (2021)
- Essential and Emerging Occupations

INFORMATION TECHNOLOGY

- Computer and Information Systems Managers
- Computer Network Support Specialists
- Computer Programmers
- Computer Systems Analysts
- Computer User Support Specialists
- Intelligence Analysts
- Information Security Analysts
- Software Developers & Software Quality Assurance Analysts and Testers
- Telecommunications Equipment Installers & Repairers, Except Line Installers
- Web Developers & Digital Interface Designers

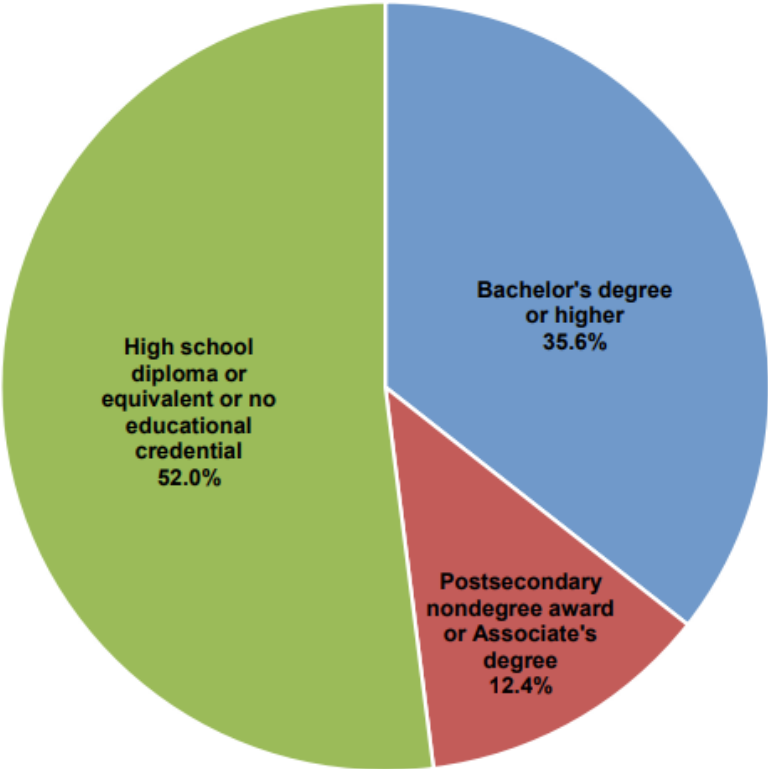
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Job Service North Dakota is an equal opportunity employer/program provider. Auxiliary aids and services are available upon request to individuals with disabilities.

R. 7/01/2022 • PY22

Distribution of Job openings by typical entry level education

December 2022 Job Openings Report



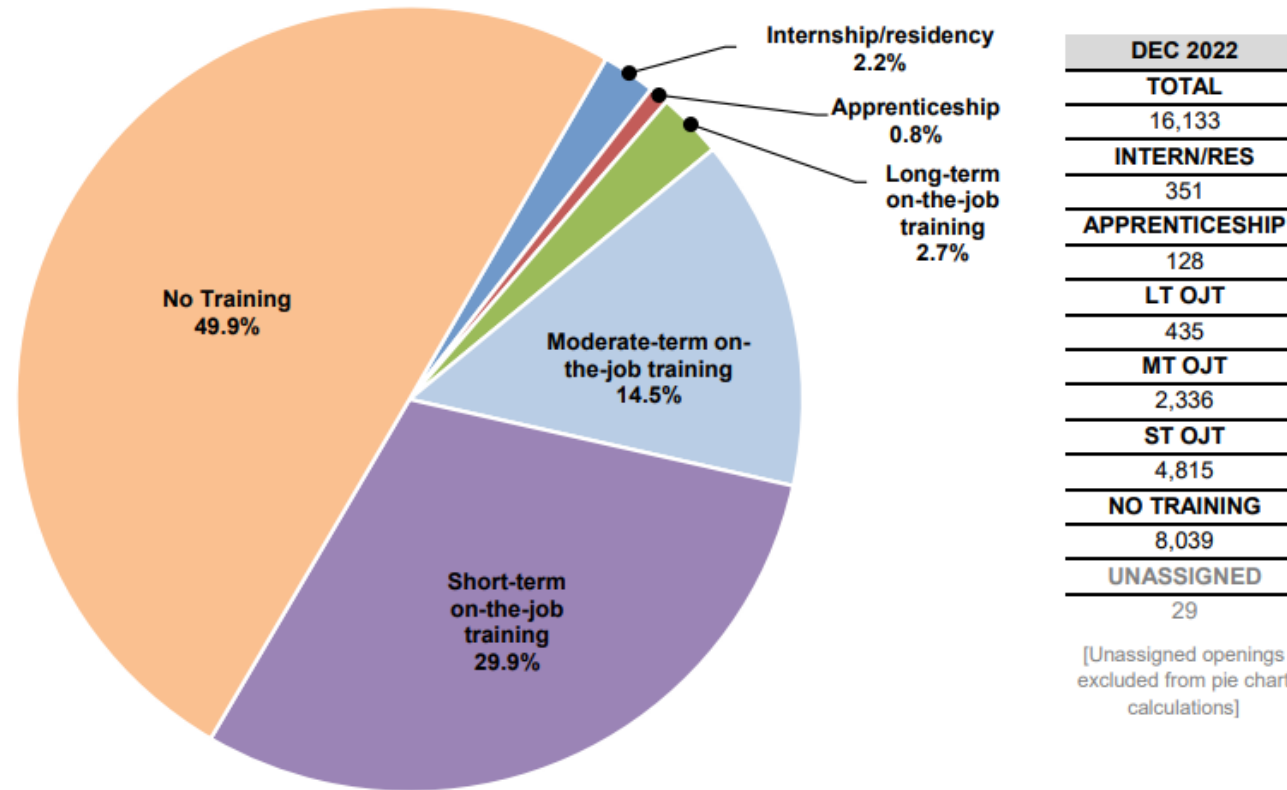
DEC 2022
TOTAL
16,133
DOC OR PROF
324
MASTER'S
372
BACHELOR'S
5,037
ASSOCIATE'S
634
POSTSEC AWARD
1,362
HIGH SCHOOL
5,209
NO EDU CRED
3,166
UNASSIGNED
29

[Unassigned openings excluded from pie chart calculations]

Source: Labor Market Information Center | Job Service ND
https://www.ndlmi.com/admin/gsipub/htmlarea/uploads/lmi_ojornd.pdf

Distribution of Job Openings by Typical Training

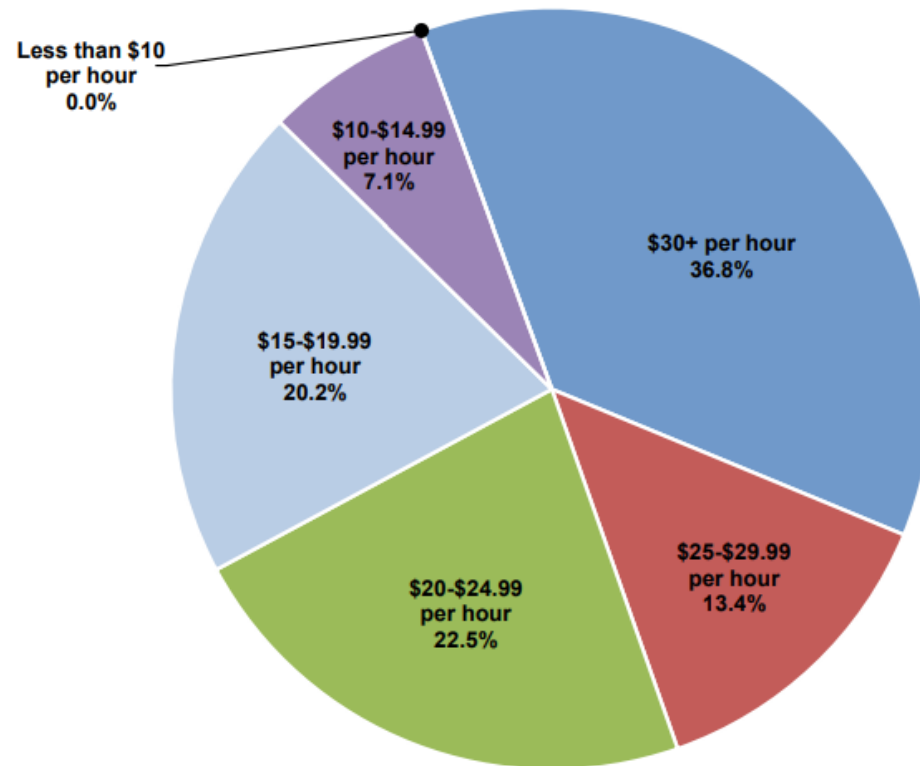
December 2022 Job Openings Report



Source: Labor Market Information Center | Job Service ND
https://www.ndlmi.com/admin/gsipub/htmlarea/uploads/lmi_ojornd.pdf

Distribution of Job Openings by Typical Average Wage

December 2022 Job Openings Report



DEC 2022
TOTAL
16,133
\$30+
5,892
\$25.00-\$29.99
2,138
\$20.00-\$24.99
3,602
\$15.00-\$19.99
3,231
\$10.00-\$14.99
1,131
LESS THAN \$10
2
UNASSIGNED
137

[Unassigned openings excluded from pie chart calculations]

Source: Labor Market Information Center | Job Service ND
https://www.ndlmi.com/admin/gsipub/htmlarea/uploads/lmi_ojornd.pdf

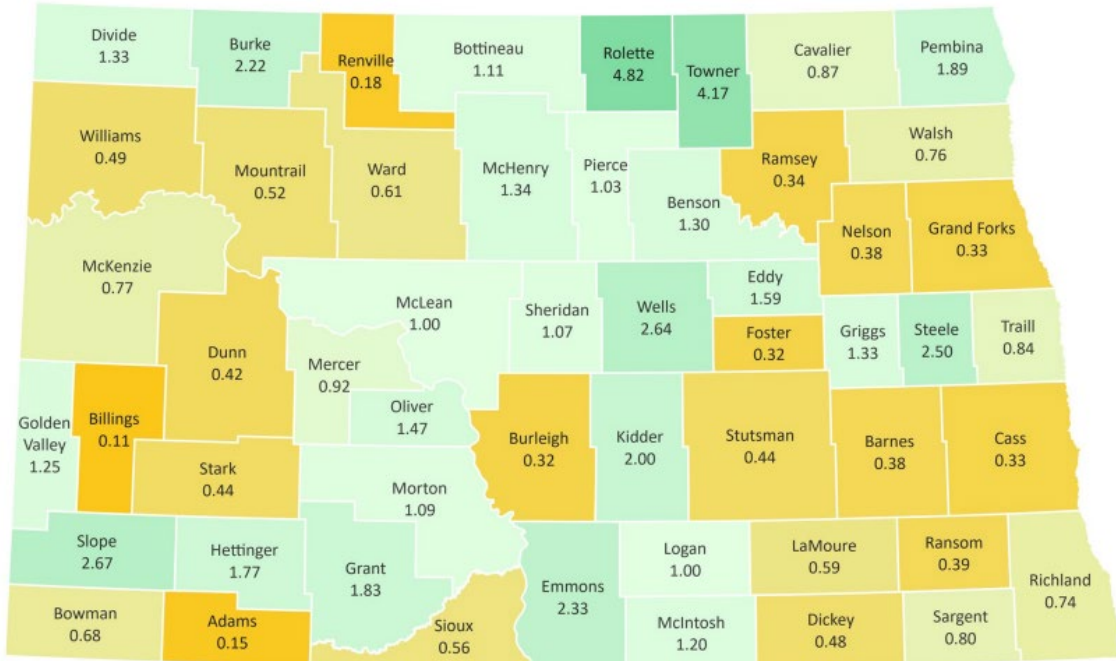
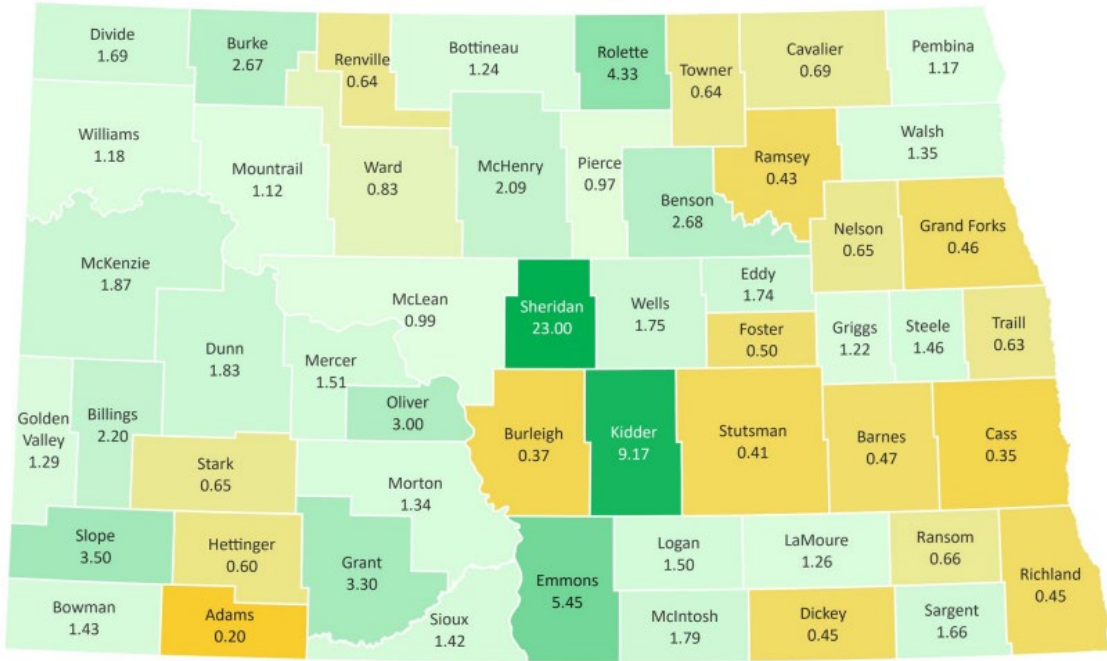
Many ND communities are experiencing greater workforce shortages in 2022 than 2021

December 2022 Online Job Openings report | ND LMI Center

UNEMPLOYED PER JOB OPENING BY COUNTY

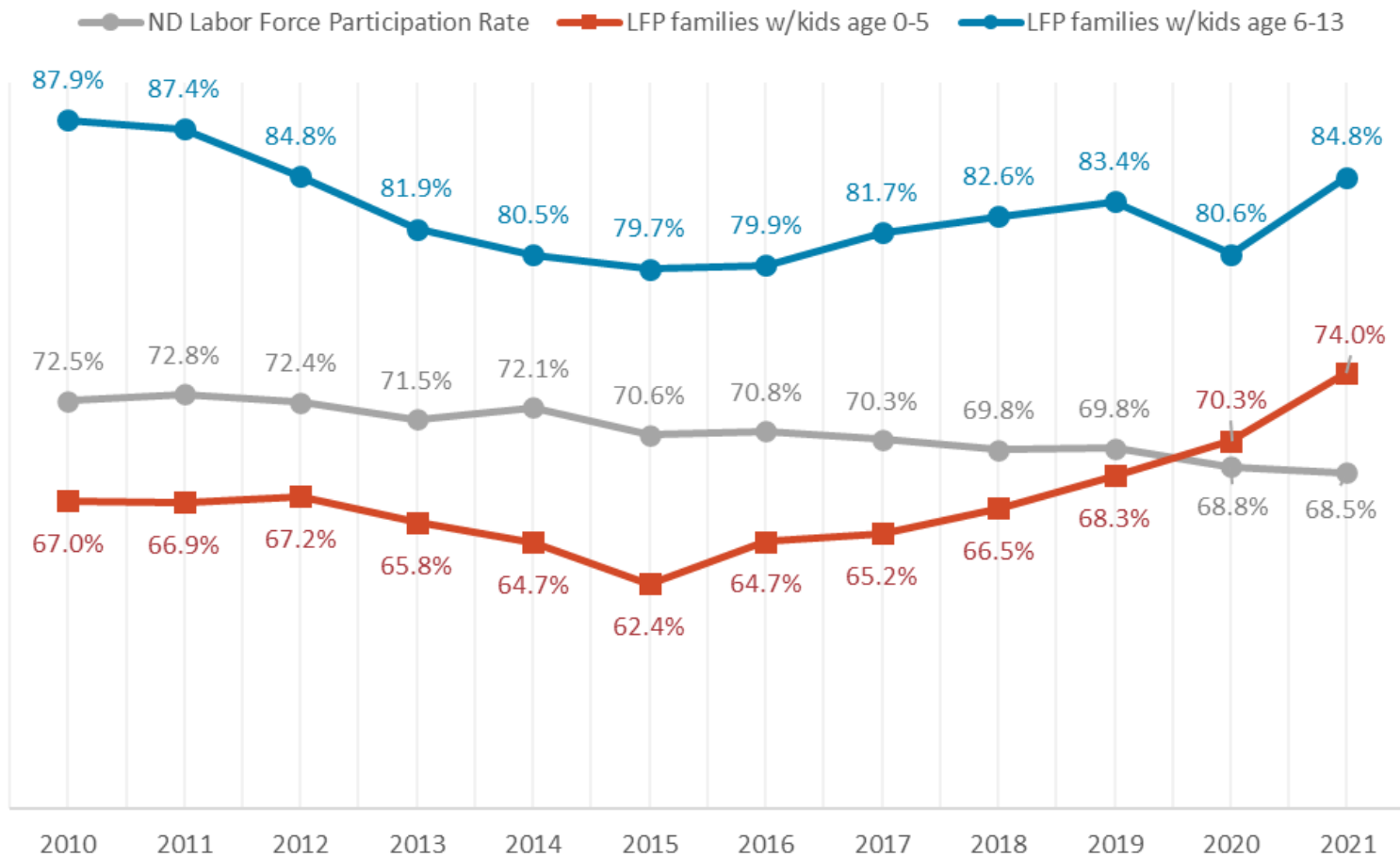
UNEMPLOYED PER JOB OPENING BY COUNTY

[NOV 2022]



Source: Labor Market Information Center | Job Service ND
https://www.ndlmi.com/admin/gsipub/htmlarea/uploads/lmi_ojornd.pdf

The percent of ND children ages 0-5 who have all available parents in the labor force has been steadily increasing since 2010

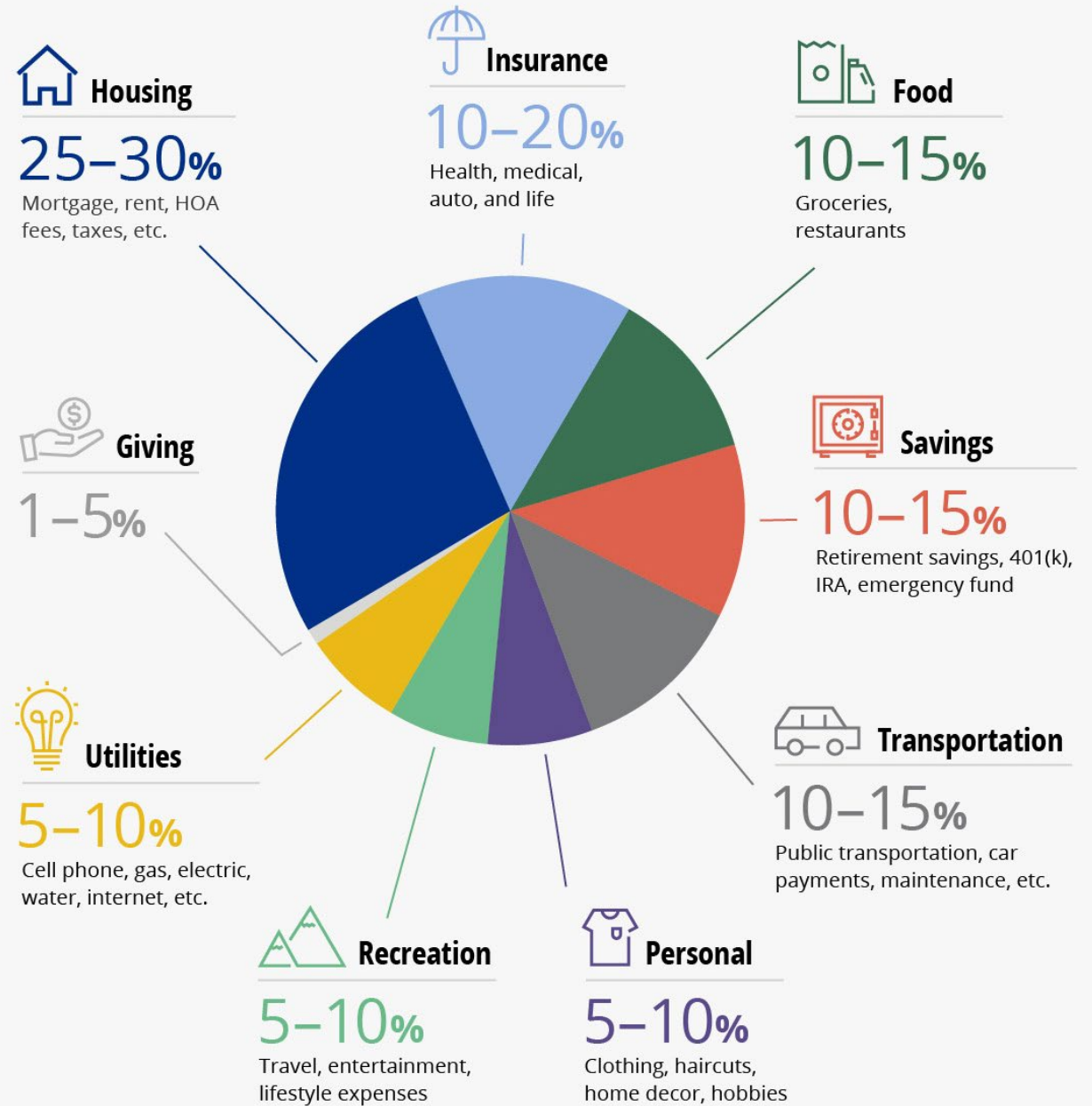


73%
**Parents in
workforce**

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

What does someone think about when they are looking for a job?

Interest
Aptitude
Purpose
Opportunity
Location
Income

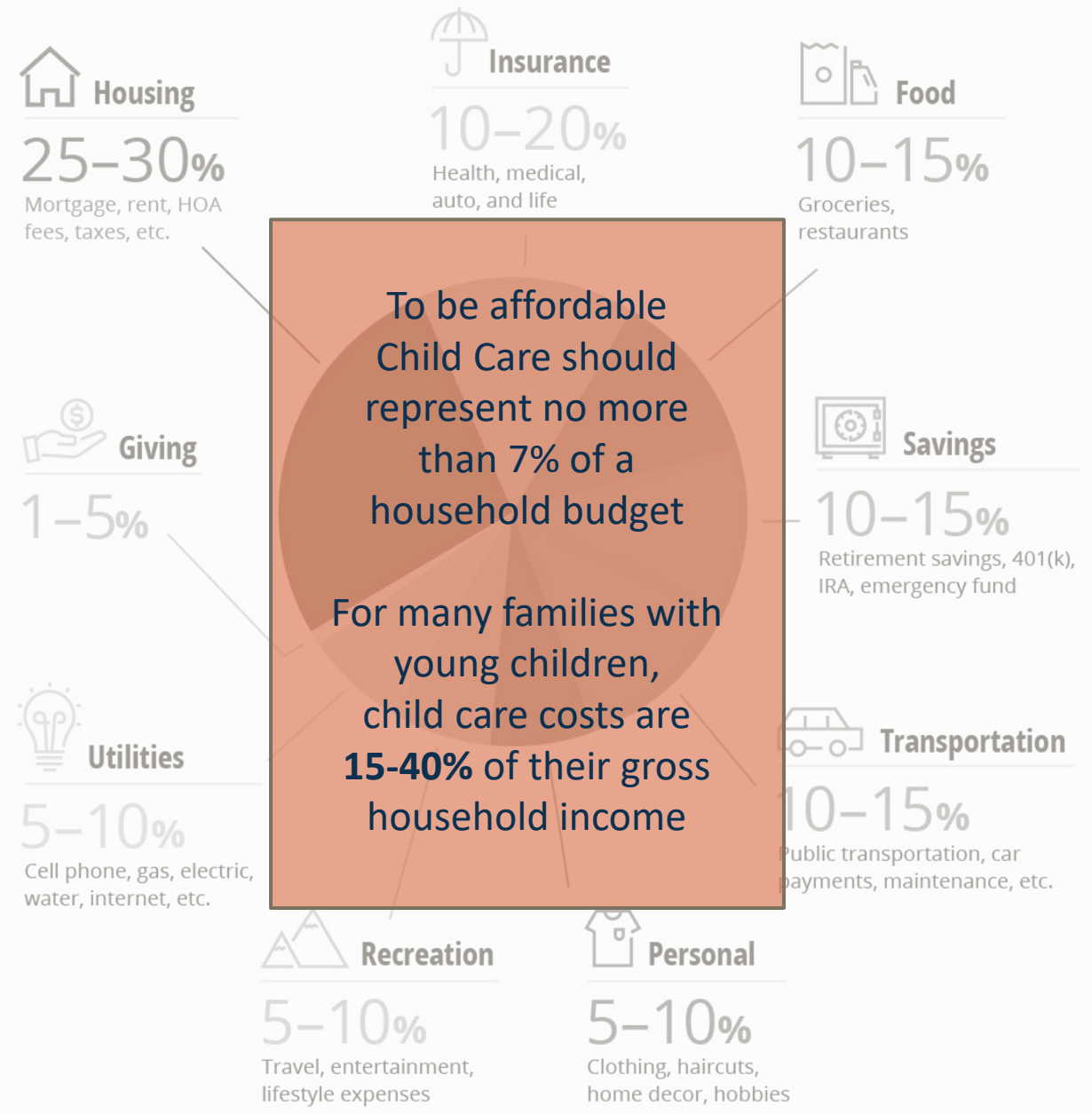


NOTE

What's missing from this picture?



Child Care



Child care is one of the largest monthly costs for families with young children

WHAT DOES CHILD CARE COST?

Age 0-17 months

Center-based
\$595 - \$1,890
Avg: \$838

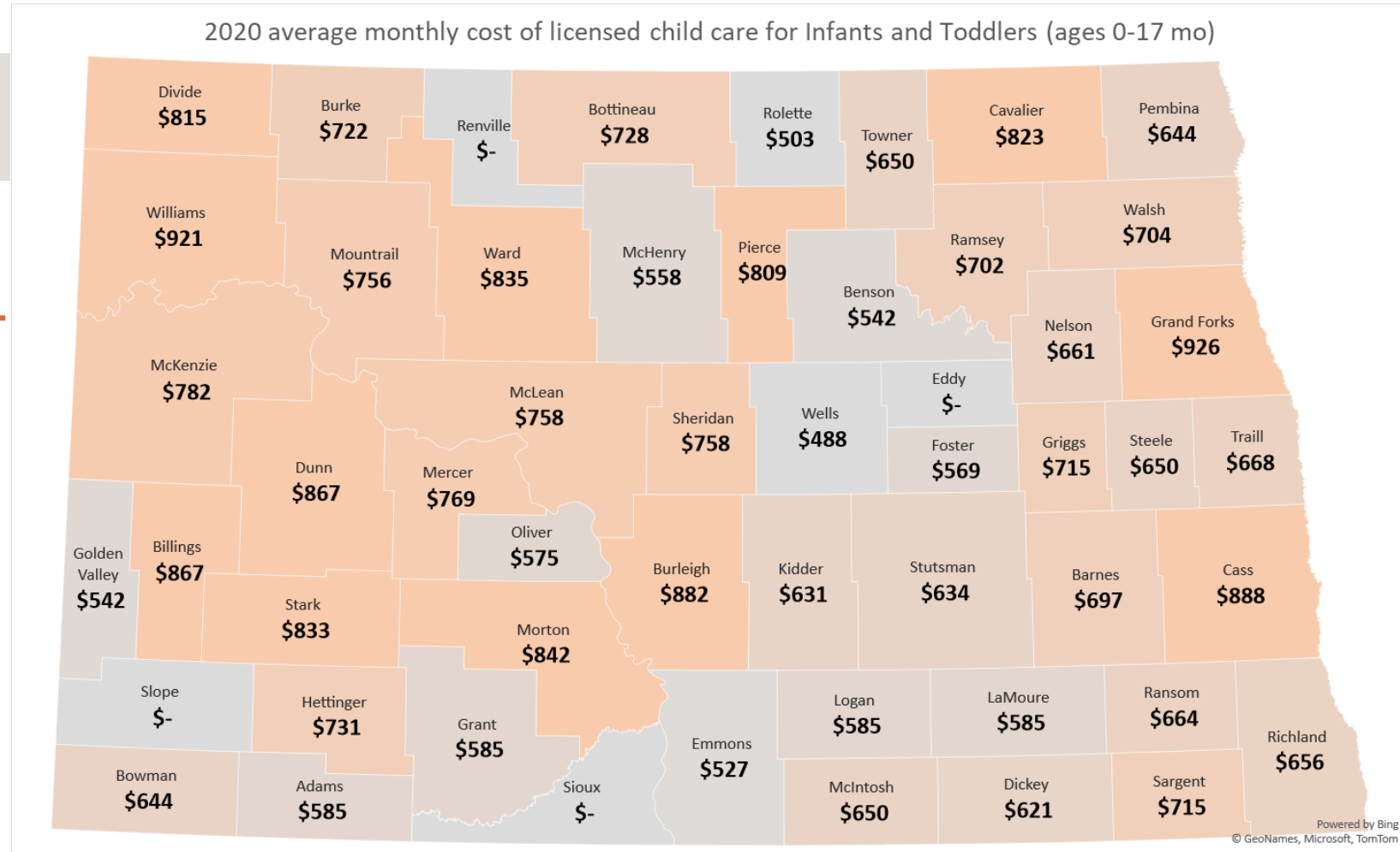
Family/Group-based
\$475 - \$1,200
Avg: \$672

Age 18-35 months

Center-based
\$595 - \$1,810
Avg: \$798

Family/Group-based
\$475 - \$1,000
Avg: \$661

2020 average monthly cost of licensed child care for Infants and Toddlers (ages 0-17 mo)



Source: Oct 2021 Child Care Market Study conducted for ND Child Care Assistance Program

84% of Jobs in the ND labor market pay an average wage of \$35/hour or less



Less than \$13 / hr	\$13 - \$20 / hour	\$20 - \$28 / hour	\$28 - \$35 / hour	>\$35 / hour
Waiter/Waitress Child care worker Dishwasher Bartender Cafeteria worker Short order cook Cashiers Veterinary Assistant	Pharmacy tech Home health PT assistant Hair stylist Retail Farmworker Restaurant cook Data entry EMTs & paramedics Carpet installers Maintenance workers Nursing assistant Laborer Substitute teacher Extraction helper	Carpenter Loan processor Legal secretary Correctional officers Auto service tech Surgical tech Roofer Lic Practical Nurse Dental assistant Firefighter Surgical assistant Clergy Social worker Police Hotel manager Truck driver	School counselor Rotary drill operator HR specialist Accountant Real Estate Sales PR specialist Counselor Registered Nurse Comp network specialist Construction supervisor Dental hygienist Architectural drafter Speech pathologist	Engineer Constr mgr Electrician Lineman Gen/Op mgr Loan officer Lawyer Sales Software dev Veterinarian Pharmacist Physician Dentist Psychologist
<p>70,770</p> <p># of people employed in a job with average wage of <\$13/hour</p> <p>represents 10% of total jobs</p>	<p>219,490</p> <p>31%</p>	<p>215,200</p> <p>30%</p>	<p>90,740</p> <p>13%</p>	<p>114,730</p> <p>16%</p>

Source: Job Service ND 2020 Employment and Wages by Occupation dataset | mean wage by occupation; 710,910 jobs included in wage summary

Most all households earning less than 150% of state median income (SMI) will struggle with costs of child care

Families potentially eligible for child care assistance program (CCAP)

Household Size	Federal Poverty Level		30% SMI		60% SMI		85% SMI		100% SMI	
	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage
1	\$12,880	\$6.19	\$16,238	\$7.81	\$32,475	\$15.61	\$ 46,008	\$ 22.12	\$54,125	\$26.02
2	\$17,420	\$8.38	\$21,233	\$10.21	\$42,467	\$20.42	\$ 60,156	\$ 28.92	\$70,778	\$34.90
3	\$21,960	\$10.56	\$26,230	\$12.61	\$52,460	\$25.22	\$ 74,316	\$ 35.73	\$87,433	\$42.04
4	\$26,500	\$12.74	\$31,226	\$15.01	\$62,452	\$30.03	\$ 88,476	\$ 42.54	\$104,087	\$50.04
5	\$31,040	\$14.92	\$36,222	\$17.41	\$72,444	\$34.83	\$ 102,636	\$ 49.34	\$120,740	\$58.05
6	\$35,580	\$17.11	\$41,219	\$19.82	\$82,437	\$39.63	\$ 116,796	\$ 56.15	\$137,395	\$66.06
7	\$40,120	\$19.29	\$42,155	\$20.26	\$84,310	\$40.53	\$ 119,448	\$ 57.43	\$140,517	\$67.56
8	\$44,660	\$21.47	\$43,092	\$20.72	\$86,184	\$41.43	\$ 122,100	\$ 58.70	\$143,640	\$69.06

“Hourly Wage” is calculated by assuming 2,080 hours worked per year per annual income range noted. Multiple wage earners could combine earnings to attain the noted household income / hourly wage.

When is child care affordable?

Average monthly cost of care in a Child Care Center compared to affordability standard of 7% of household income



1 child (9-month-old)

Center-based avg $\$838$ \longrightarrow Household income needed? $\$143,600$ = combined hourly wage of $\$69/\text{hr}$



1 child (3-year-old)

Center-based avg $\$726$ \longrightarrow Household income needed? $\$124,400$ = combined hourly wage of $\$60/\text{hr}$



2 children (1-year-old and 4-year old)

Center-based avg $\$1,564$ \longrightarrow Household income needed? $\$268,100$ = combined hourly wage of $\$129/\text{hr}$

When is child care affordable?

Average monthly cost of care in a Family/Group Child Care compared to affordability standard of 7% of household income



1 child (9-month-old)

Family/Group avg $\$672$ \longrightarrow Household income needed? $\$115,200$ = combined hourly wage of $\$55/\text{hr}$



1 child (3-year-old)

Family/Group avg $\$653$ \longrightarrow Household income needed? $\$111,900$ = combined hourly wage of $\$54/\text{hr}$



2 children (1-year-old and 4-year old)

Family/Group avg $\$1,325$ \longrightarrow Household income needed? $\$227,100$ = combined hourly wage of $\$109/\text{hr}$

A strategy of both comprehensive and targeted investment



Target investments to ages 0-3

- ✓ Age of highest developmental return for children
- ✓ Period of greatest economic pressure for most young families
- ✓ Critical decision point for individual-level decisions about how/if to rejoin the labor force
- ✓ Focus on working families employed in occupations where compensation doesn't offset the cost of child care needed to enable work



Embrace an all-of-the-above approach to child care

- ✓ Quality early experiences can happen anywhere.
- ✓ Working families should have meaningful choices about child care.
- ✓ Principles of quality are knowable and transferrable to any setting.
- ✓ Sustainable child care businesses will support more sustainability within the workforce.



Help working parents provide for their families by supporting employment, training and education goals

- ✓ Benefits are scaled to family need.
- ✓ Employers have meaningful vehicles to remediate child care as a barrier to work.
- ✓ There are opportunities for children who are least likely to have access to quality early childhood experiences.

Child care is a workforce solution that can make a difference for ND employers



Affordability

Connect more working families to child care assistance to keep the cost of child care within 7% of household income

\$27 million | Helping lower income working parents with child care costs | Public private cost share for employer-provided child care benefit for employees



Availability

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

\$22 million | Payments for Infant and Toddler care | Supporting more sustainable operations for child care entrepreneurs | Care during non-traditional hours | Child care worker career pathways | Criminal background checks



Quality

Help kids realize their potential by supporting quality early childhood experiences

\$24 million | Best in Class program | Scholarships and Incentives for child care worker professional development | Connecting child care payments to quality



**What is workforce?
It's workers.**





When quality child care is more affordable, it's easier for parents to work.





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