

**Testimony on Senate Bill 2012**  
**10:00 a.m. March 17, 2023**  
**House Appropriations – Human Resources Division**  
**Rep. Jon Nelson, Chairman**

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**Additional Stats**

As of Dec. 2022 – 1,264 licensed child care providers  
Approximately 7,000-8,000 child care workers  
Estimate is around 98% child care owners are female

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- Good afternoon, Chairman Nelson and members of the committee. For the record, I'm Governor Doug Burgum.
- We are grateful for the opportunity to participate in this critical discussion about one of our most valuable resources, our children, an absolute priority. Thank you for making it a priority as well. We have an incredible opportunity to support our working families and provide high-quality early childhood experiences for our youngest citizens.
- This past September, I was joined by nearly a dozen legislative partners, Health and Human Services Commissioner Chris Jones and others at a child care center called Bright Futures to announce a child care framework that was developed through 14 months of work and collaboration among legislators, business leaders, child care providers, Chambers of Commerce, the Workforce Development Council and industry groups.
- This framework will positively impact thousands of children and working parents to build and sustain a workforce to support economic growth. This includes addressing three foundational elements of child care: **Affordability, Availability and Quality.**

- We know having high-quality early childhood experiences sets up kids for a better school experience, lowers the need for special education, and creates a strong foundation for any future career they choose.
- The children and their working parents who were able to be at Bright Futures are fortunate.
- However, their situation is not the reality for thousands of North Dakota's families.
- In communities across the state, working families are experiencing a child care crisis.
- They are unable to find quality child care, or if they do, they can't afford it.
- Our state is filled with young working families with immediate and urgent child care needs:
  - 45,000 ND households have children younger than age 5.
  - We know that's about 64,000 kids.
  - 3 out of every 4 households with kids younger than age 5 have ALL parents in the workforce.
  - That means 32,000 kids likely need child care.
- Yet we know when working parents seek child care, they are often met with long wait lists, especially for infants and toddlers.
- And finally, working families face the burden for the immense cost of child care.
- At best, according to the U.S. Department of Health and Human Services, child care costs should represent 7 percent of a household budget.

- Yet, when child care costs are often 30 percent or more of the household budget, that's simply not sustainable for young working families starting out – or frankly any family making less than \$100,000 a year.
- In many cases, these parents are forced to make a choice between working and paying for child care, or not working at all.
- We can draw a direct line from these realities to our state's workforce challenges – because at its core, access to child care is a workforce issue.
- According to Job Service ND, 51% of job openings require only a high school diploma or equivalent. So these are jobs that people could enter if they had the support system to do so.
- Access to affordable, quality child care will make it easier for working families – especially young working families just beginning their careers – to engage in work, provide for their families, help grow our economy and support local businesses and their communities.
- In order to make a meaningful impact for children, working parents and businesses, we need to adopt a comprehensive strategy that involves government and employers partnering with communities to reach solutions.
- We're in competition with every other state for capital and talent. And when we have 11 million jobs open in our country, and over 30,000 jobs open in North Dakota, we know one of the things people are asking is if a community has available, affordable, quality child care.
- We are grateful for a seat at the table for this important conversation. Now we'll kick it over to Commissioner Jones and the HHS team to provide the details of the proposal. Thank you.