

House Industry, Business, and Labor Committee  
SB 2301  
March 7, 2023

Chair Louser and committee members, my name is Alexa Ducioame, and I am providing testimony in support of SB 2301 as a working parent of two small children in Fargo.

**Lack of available childcare:**

- **10,000** estimated spots needed for ages 0-5<sup>1</sup>
- **16** infant spots were abruptly cut at a Kindred daycare<sup>2</sup>
- **700** children are on the waitlist at the center my son attends in Fargo and my daughter has been on it for **3** years. Some centers wouldn't even add us to their waitlist because it was already so long.

**Effect on businesses in 2022:**

- **30%** of surveyed ND Chamber businesses said the lack of access to affordable and high-quality childcare negatively affected their organization's performance in 2022<sup>3</sup>
- **57%** of Horace respondents said the lack of childcare affected their careers<sup>4</sup>
- **29%** of East Grand Forks parent respondents withdrew from the workforce or declined employment due to childcare arrangements<sup>5</sup>

**My personal story:**

- I'm a water resources engineer working on multiple large flood risk reduction projects in the Red River Valley and my husband works in IT.
- **25** days over **3** months our daycare closed unexpectedly in early 2022 causing us to work from home. This was not sustainable for us.
- The center our kids attended lost their license in April 2022, but then reapplied under a different name and reopened.
- One of the teachers that was in our children's room is currently awaiting trial for child abuse due to an incident that occurred in the center May 2022 and our daughter was named a secondary victim by the detective.
- **7** months later we finally found a different daycare for my daughter where we pay **50%** more. We realize that not every family can afford that, and others are still desperately looking.

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<sup>1</sup> North Dakota 2022 childcare supply of 37,740 spots from licensed programs, with a demand of 47,575

<sup>2</sup> <https://www.valleynewslive.com/2023/01/31/kindred-daycare-makes-difficult-choice-cutting-families-due-staffing-shortages/>

<sup>3</sup> J. Bitzan, Ph.D., "North Dakota Business Conditions and Climate Survey 2022," Sheila and Robert Challey Institute for Global Innovation and Growth, NDSU, 2022.

<sup>4</sup> City of Horace, "City Survey Results: Childcare Services in Horace," October 2022. [Online]. Available: [https://www.cityofhorace.com/community\\_news\\_\\_\\_events/city\\_survey\\_results.php](https://www.cityofhorace.com/community_news___events/city_survey_results.php)

<sup>5</sup> First Children's Finance, "Rural Child Care Innovation Program, Community Solution Action Plan for Child Care: East Grand Forks, Minnesota," May 2022.

### **Childcare Wages:**

- Childcare providers are stuck in a difficult place where they can't afford to pay more, but the families attending also can't afford to be charged more.
- **11.19/hr** was the median 2021 wage for childcare workers, or \$23,275/yr FT.<sup>6</sup> This is not competitive. Childcare is difficult, essential work that deserves to be compensated adequately.
- **SB2301 is the only bill supporting childcare wages**, the main reason for the lack of available care, to improve recruitment and retention.
- **3-4** times the amount of funding proposed in SB2301 was provided with the federal childcare stabilization that ended in September 2022, yet the childcare crisis persisted.
- **\$150 million** annual investment is estimated to be needed by the North Dakota Child Care Action Alliance to provide childcare employees with a living wage.

People are dropping out of the workforce because it's easier than finding safe reliable childcare. It's not only affecting families, but businesses. This isn't a new problem, and it's only getting worse. If the childcare workforce grew, it would support parents who want to join the workforce in other fields as well. The monthly amounts in SB2301 should be raised for greater impact.

**Improving childcare is a common-sense, bipartisan solution and is essential for strong families and a strong economy in North Dakota.**

Thank you for your time.

Sincerely,



Alexa Ducioame

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<sup>6</sup> U.S. Bureau of Labor Statistics, "Occupational Employment and Wage Statistics: North Dakota," May 2021. [Online]. Available: [https://www.bls.gov/oes/2021/may/oes\\_nd.htm#39-0000](https://www.bls.gov/oes/2021/may/oes_nd.htm#39-0000).