

1/24/2023

To Whom it may concern,

The stabilization grant needs to be amended to support the needs of rural daycares. In rural places across the state, there is a wide range of what it costs for daycare. In Cass County, for instance, the average cost of daycare for one child averages over \$10,000 a year. In Stutsman County, the average cost is \$7500. These statistics were taken from ND Child Care aware from 2020. I would imagine, the cost has increased by several hundred dollars from 2020 to now. I own and operate a group 30 childcare in Medina, ND. This past year, I charged an average of \$6000 per year.

In rural North Dakota, especially in my area, people still make minimum wage or just a few dollars over. Businesses can't afford to pay more than that, they are barely holding on the way it is. In rural areas, we are facing an employee shortage. To be competitive, we offer every dime we can afford and still can't get the employees needed to make ends meet. My point is, parents can't afford to send their kids to daycare, daycares must keep increasing their wages to have employees and pay for high cost of living which in returns raises the amount families need to spend on daycare. The past year, the stabilization grant that was available to daycares is what kept my doors open and kept the cost down for my families. I received between \$2000-\$3000 a month depending on enrollment.

I feel daycare is one of the most important jobs there is. Teaching and loving children so they can grow and develop helps shape their entire life. Providers shouldn't be trying to spread themselves so thin in order to keep their doors open. Children also need stability. Walking into a daycare with the same caretakers every day is important.

The proposed amount of money for stabilization would help, but it really doesn't make a dent in it. The biggest cost for my daycare is payroll. The hardest part of operating a daycare is finding good help. Daycares must try to stay competitive in wages in order to cut costs of hiring and training and to get any interest. Paying a higher wage is hopefully enough to prevent turnover. Without employees, the daycare can't operate. In rural areas, where wages are low, parents can't afford daycare and daycares can't afford payroll. It's a vicious cycle. However, one can't work without the other.

Please consider increasing the amount per child in rural areas. The state needs daycares to help with employee shortages. Dozens of daycares have closed these past 2 years. Daycare owners need support.

Sincerely,

Bonnie Hofmann