



January 26, 2023

Chairman Sen. Michael A. Wobbema  
Senate Workforce Development Committee  
Testimony in support of Senate Bill 2301

Chairman Sen. Wobbema and members of the Senate Workforce Development Committee,

Childcare in North Dakota is in an unsustainable state. Several parents in Williston have told us that they spend upwards of \$20,000 annually in childcare costs for only two children while, despite these exorbitant costs, childcare providers are struggling to stay afloat. Several operators have told us that they have to take little to no salary to keep the doors open. This exemplifies the dire childcare situation for both providers and parents.

Earlier this month, the Williston Area Chamber of Commerce (WACC) hosted a roundtable discussion with about 10 local childcare providers as well as city, county, and state officials and area legislators. During which, providers illustrated monetary issues, opening participants' eyes to the reality of the situation: our operators are struggling to pay wages and overhead expenses, keep up with training and licensing fees, and turn a profit. Looking at the current cost of childcare for parents, raising tuition is out of the question. But most facilities are still understaffed and overworked. So, where do they turn?

Some providers have told us that previously offered stabilization grants have been critical in paying their employees and keeping their doors open, ensuring there were no gaps in service for those that need them most: the parents. The proposed childcare stabilization grant in SB2301 is a step in the right direction and has the potential to address childcare workforce issues from two different angles.

This bill's potential to incentivize people to work in the childcare industry has the power to increase capacity in current, licensed childcare centers and allow more facilities to open. Additionally, since childcare issues **are** workforce issues, increasing capacity and the number of providers would allow parents to enter, or re-enter, the workforce – a step towards filling the state's thousands of open jobs, boosting understaffed businesses and the economy.

The WACC not only supports SB 2301 and encourages its passage, but it also encourages the committee to consider further investment into the amounts enumerated in subsections 1a, 1b, and 1c. We have been told that in-home childcare centers and smaller facilities are at an even more critical financial reality. This is especially true in western North Dakota where the cost of living is higher, requiring childcare centers to pay well above what other locations may consider "normal" for childcare providers to attract and retain talent. A tiered option with increased payouts for those sized facilities could provide much needed relief.

Thank you for your consideration of this important issue.

Sincerely,

Anna Nelson  
President  
Williston Area Chamber of Commerce