



What is workforce? It's workers.



70% of jobs in the ND labor market pay an average wage of \$30/hour or less



Less than \$16 / hour	\$16 - \$22 / hour	\$22 - \$30 / hour	\$30 - \$38 / hour	>\$38 / hour
Childcare worker Waiter/Waitress Dishwasher Bartender Fast food cooks Cashiers Hotel clerk Maid/Housecleaner Farm Worker/Laborers	Home health/PT aide Personal care aide Receptionist/secretary Restaurant cook Preschool teacher Assemblers Maintenance workers Nursing assistant Substitute teacher Stocker/order filler Landscaping/grounds Janitor Laundry/Dry cleaning Legal secretary	Carpenter Loan processor Correctional officers Auto service tech Surgical tech EMTs & paramedics Roofer Real Estate Sales Lic Practical Nurse Dental assistant Firefighter Clergy Architectural drafter Social worker Hotel manager Light Truck driver	Rotary drill operator HR specialist Accountant Electrician PR specialist Counselor Police Registered Nurse Comp network specialist Speech pathologist Production supervisor Occupational therapist	Industrial Engineer Constr mgr Gen/Op mgr Dental hygienist Loan officer Lawyer Sales mgr Software dev Veterinarian Pharmacist Physician Dentist Psychologist
<p>47,960 # of people employed in a job with average wage of <\$16/hour represents 12% of total jobs</p>	<p>112,430 28%</p>	<p>121,150 30%</p>	<p>64,390 16%</p>	<p>52,920 13%</p>

Source: Job Service ND 2023 Employment and Wages by Occupation dataset | median wage by occupation; 386,920 jobs included in statewide wage summary

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

Household Size	Families potentially eligible for CCAP						CCAP to WPCCR Jul 2025		WPCCR			
	30% SMI		60% SMI		75% SMI		85% SMI		100% SMI		150% SMI	
	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage	Annual Income	Hourly Wage
2	\$ 23,359	\$11.23	\$ 46,717	\$22.46	\$ 58,397	\$28.08	\$ 66,183	\$ 31.82	\$ 77,862	\$37.43	\$ 116,793	\$ 56.15
3	\$ 28,855	\$13.87	\$ 57,710	\$27.74	\$ 72,137	\$34.68	\$ 81,755	\$ 39.31	\$ 96,183	\$46.24	\$ 144,274	\$ 69.36
4	\$ 34,351	\$16.51	\$ 68,702	\$33.03	\$ 85,877	\$41.29	\$ 97,328	\$ 46.79	\$ 114,503	\$55.05	\$ 171,755	\$ 82.57
5	\$ 39,847	\$19.16	\$ 79,694	\$38.31	\$ 99,618	\$47.89	\$ 112,900	\$ 54.28	\$ 132,823	\$63.86	\$ 199,235	\$ 95.79
6	\$ 45,343	\$21.80	\$ 90,686	\$43.60	\$ 113,358	\$54.50	\$ 128,472	\$ 61.77	\$ 151,144	\$72.67	\$ 226,716	\$ 109.00
7	\$ 46,374	\$22.30	\$ 92,747	\$44.59	\$ 115,934	\$55.74	\$ 131,392	\$ 63.17	\$ 154,579	\$74.32	\$ 231,869	\$ 111.48
8	\$ 47,404	\$22.79	\$ 94,808	\$45.58	\$ 118,511	\$56.98	\$ 134,312	\$ 64.57	\$ 158,014	\$75.97	\$ 237,021	\$ 113.95
9	\$ 48,435	\$23.29	\$ 96,870	\$46.57	\$ 121,087	\$58.21	\$ 137,232	\$ 65.98	\$ 161,449	\$77.62	\$ 242,174	\$ 116.43
10	\$ 49,465	\$23.78	\$ 98,931	\$47.56	\$ 123,663	\$59.45	\$ 140,152	\$ 67.38	\$ 164,884	\$79.27	\$ 247,326	\$ 118.91
Family Co-Pay	\$0		7% of HH inc		7% of HH inc		7% of HH inc		Costs >WPCCR stipend		Costs >WPCCR stipend	

2023-24 State Median Income (SMI); Hourly wage is calculated assuming 2,080 hours worked per year per annual income range noted

Multiple wage earners could combine earnings to attain the noted household (HH) income / hourly wage.

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
 \$606 - \$1,835
Avg: \$1,065

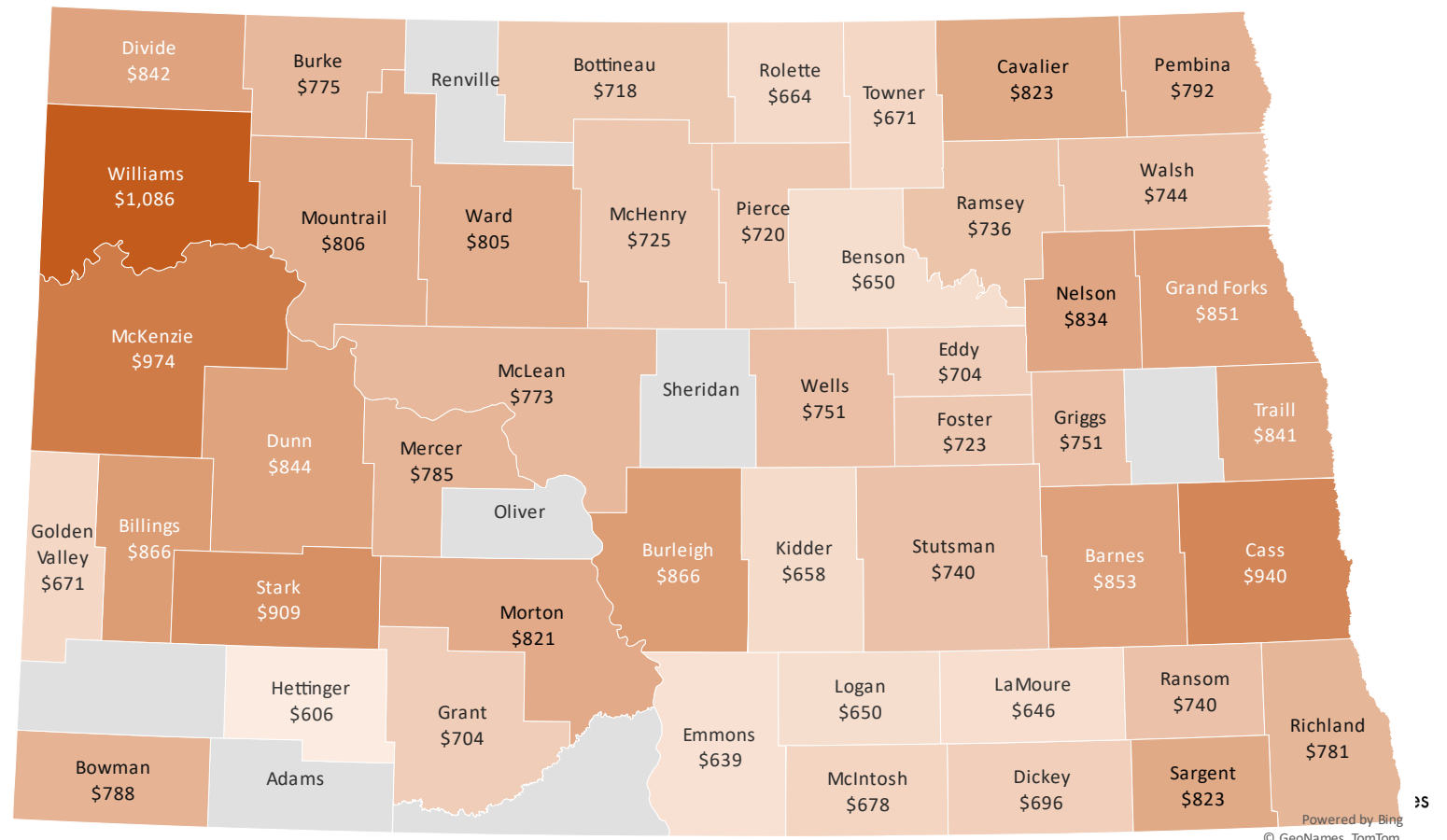
Family/Group-based
 \$520 - \$1,410
Avg: \$802

Age 18-35 months

Center-based
 \$606 - \$1,675
Avg: \$1,015

Family/Group-based
 \$599 - \$1,300
Avg: \$791

2024 Average monthly cost of licensed child care for infants (0-17 mo) - All license types



Source: Oct 2024 Child Care Market Study conducted for ND Child Care Assistance Program

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When is child care affordable?

Average monthly cost of infant and toddler care in a Child Care Center compared to household affordability (shown as 7% and 15% of before-tax household income)

2021



1 child (9-month-old)

Center-based avg	→	Household income needed?	=	combined hourly wage of
\$838		@7%... \$143,600		\$69/hr
		@15%... \$67,040		\$32/hr



1 child (3-year-old)

Center-based avg	→	Household income needed?	=	combined hourly wage of
\$726		@7%... \$124,400		\$60/hr
		@15%... \$58,080		\$28/hr



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

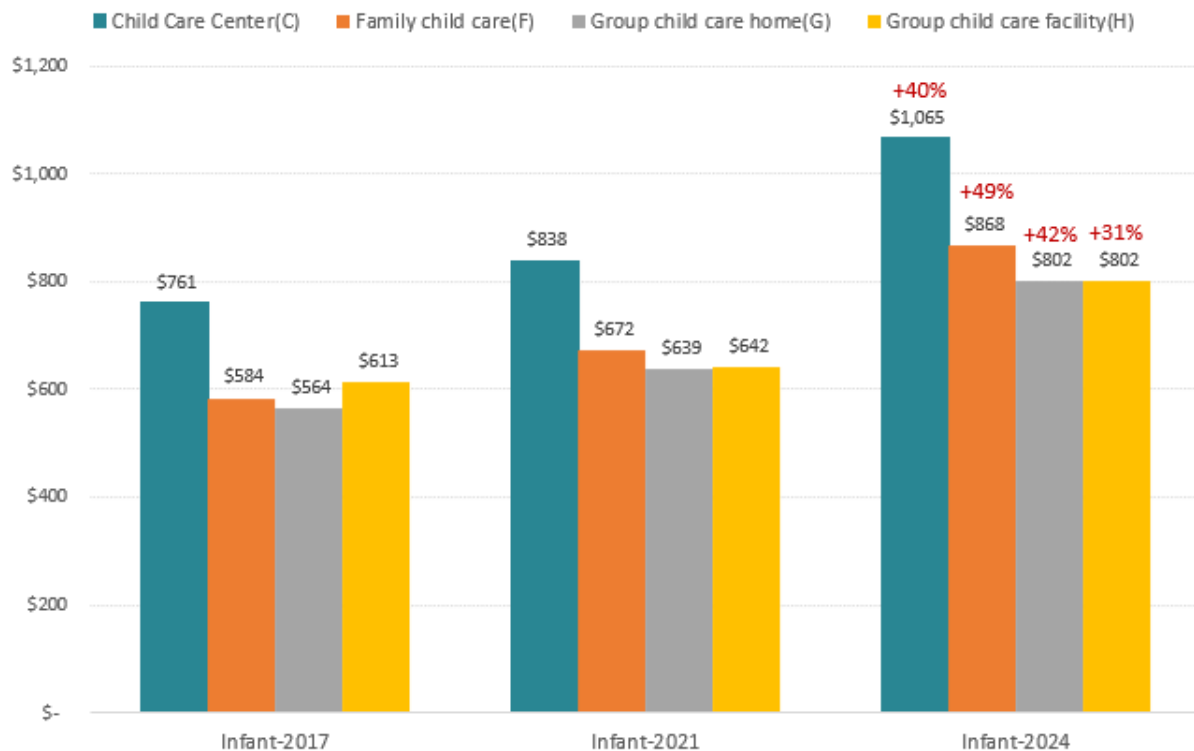
Center-based avg	→	Household income needed?	=	combined hourly wage of
\$1,564		@7%... \$268,100		\$129/hr
		@15%... \$125,120		\$60/hr

Key Indicator: Child Care Access: Cost of Care

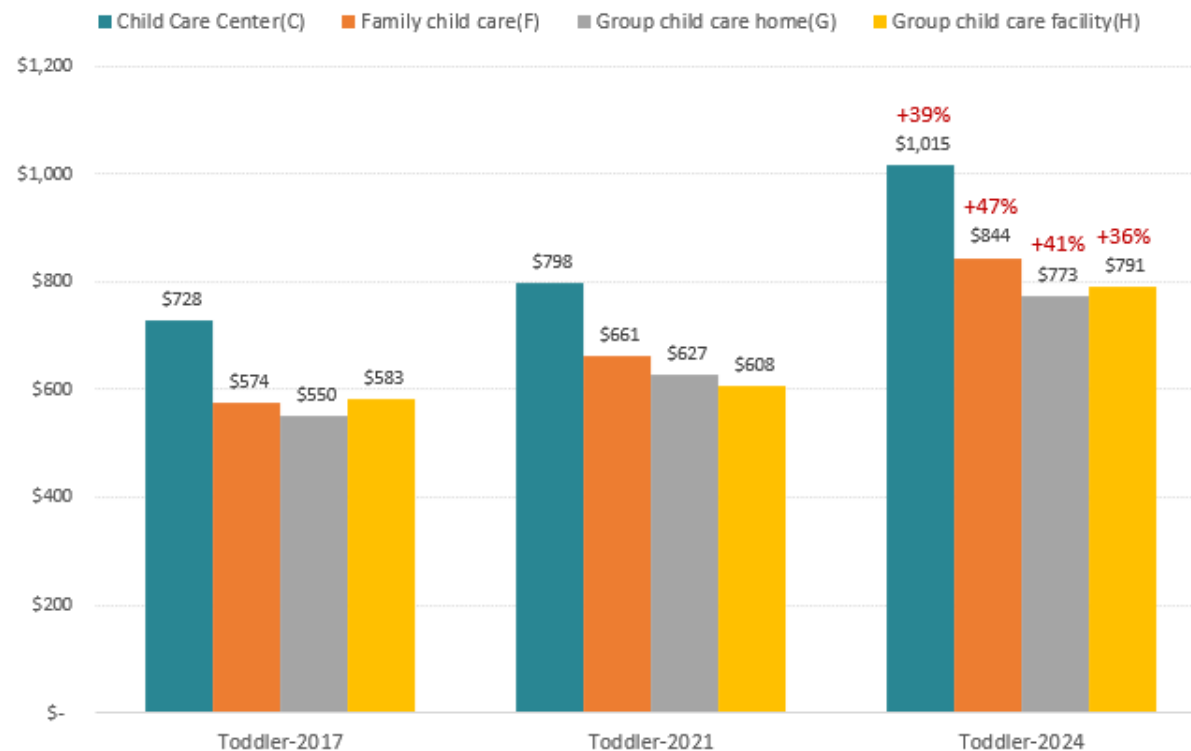
Average Cost of Child Care by Type of Provider

Average Infant and Toddler rates for 4 provider types as per triennial market rate survey

Avg Cost of Child Care for Infants in ND rose by approx 40% 2017-2024



Avg Cost of Child Care for Toddlers in ND rose by approx 40% 2017-2024



When is child care affordable?

Average monthly cost of infant and toddler care in a Child Care Center compared to household affordability (shown as 7% and 15% of before-tax household income)

2024



1 child (9-month-old)

Center-based avg		Household income needed?	=	combined hourly wage of
\$1,082	→	@7%... \$185,400		\$89/hr
		@15%... \$86,560		\$41/hr



1 child (3-year-old)

Center-based avg		Household income needed?	=	combined hourly wage of
\$1,015	→	@7%... \$174,000		\$83/hr
		@15%... \$81,200		\$39/hr



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

Center-based avg		Household income needed?	=	combined hourly wage of
\$2,097	→	@7%... \$359,400		\$172/hr
		@15%... \$167,760		\$80/hr

Comparing the cost of child care to the cost of tuition/fees at a 4 year university in the NDUS

ND HHS Child Care Market Study Oct 2024 | NDUS Tuition/Fee Schedules 2024-25 academic year



	Annual cost of child care (all license types)
Age 0-1	\$10,368
Age 1-2	\$10,368
Age 2-3	\$10,028
Age 3-4	\$9,521
TOTAL	\$40,285



	Annual cost of tuition/fees (NDUS 4 yr institutions)
Freshman	\$8,829
Sophomore	\$8,829
Junior	\$8,829
Senior	\$8,829
TOTAL	\$35,318

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



Availability

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



Quality

Help kids realize their potential by supporting quality early childhood experiences

What indicators characterize a “healthy” child care sector?



- Broad availability of quality licensed care for infants and toddlers
- Very few/no child care deserts (i.e., areas with critical shortages)
- Growth in capacity is greater than loss of capacity
- Increasing % of child care workforce credentialed for promotion
- Mix of provider types who are licensed
- Equitable distribution of child care assistance statewide
- Active quality efforts in increasing % of licensed child care slots
- Parents have options to consider when and where they need them
- % of licensed programs operating to full capacity
- Inclusion supports that create access for children with special needs
- Child care rates cover the cost of delivering quality care
- Working families w/young children pay no more than 7% of income for quality care

What does “progress” look like?



Statewide child care payment model that rewards quality

Increased % of children who are achieving widely held developmental milestones

Families have the information they need to feel like they “know what to look for” when seeking quality early childhood experiences for their kids

Fewer people who report “child care” as a barrier to work

Increased # of infant and preschool slots in highest quality settings

Widespread adoption of kindergarten assessment tool by public and private kindergarten programs

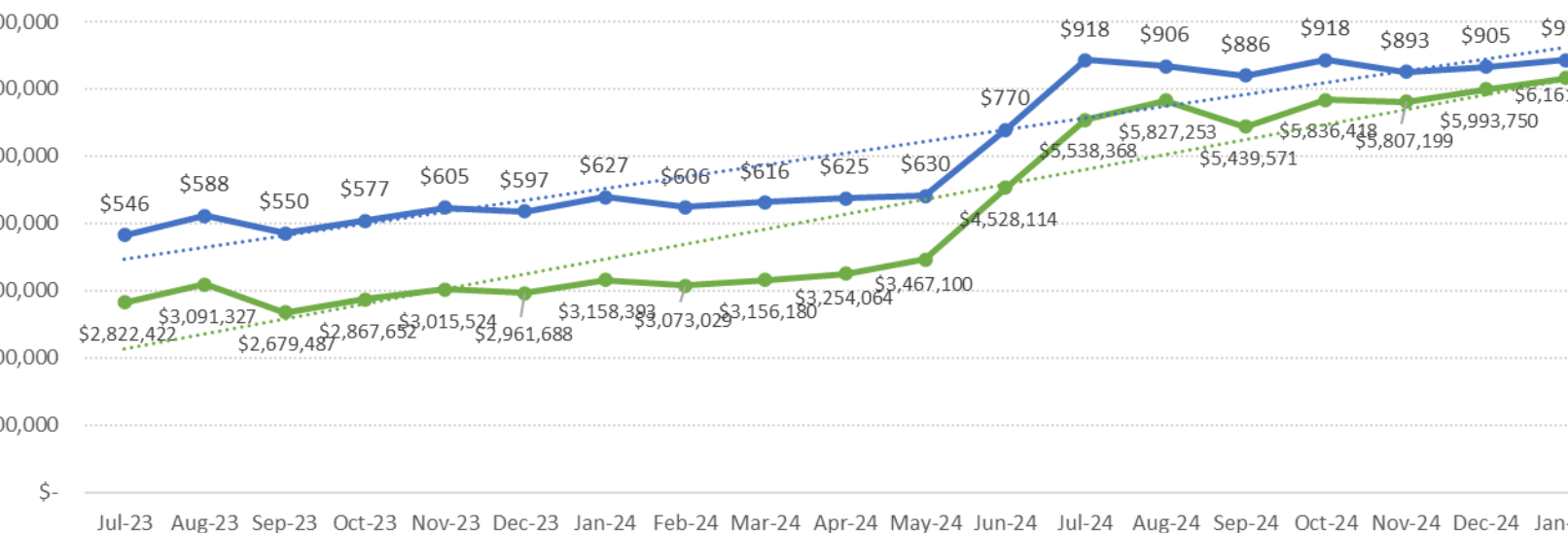
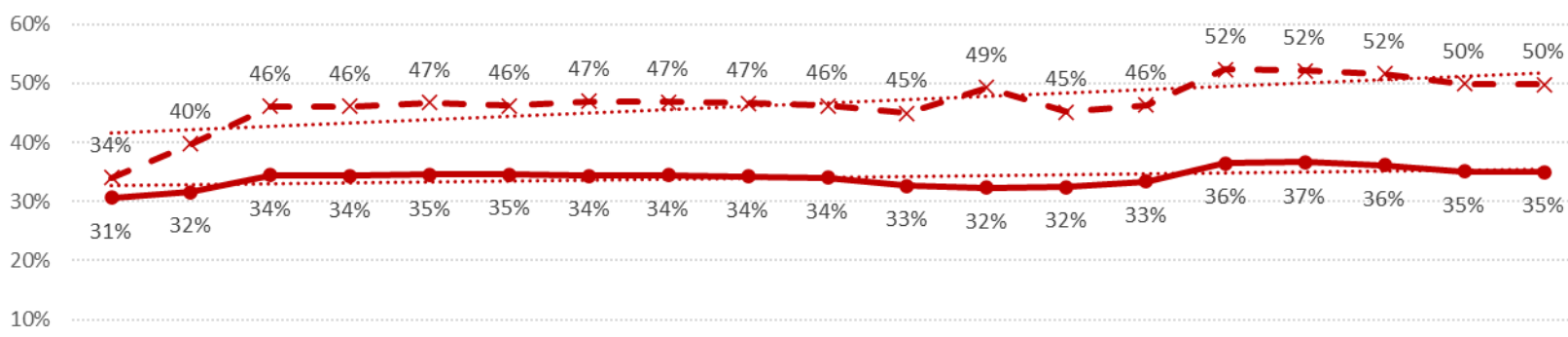
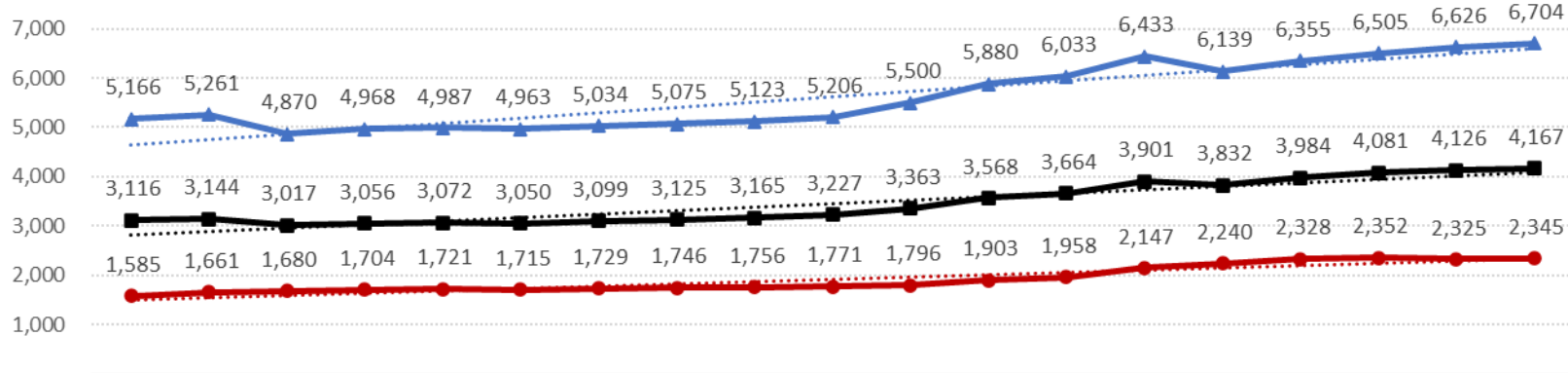
Increase in kindergarten readiness on day 1 of kindergarten

Average wage for front line child care workers equal to the average wage for direct care paraprofessionals in other fields (ex. DSP, CNA, QSP)

Reduced rates of staff turnover in licensed child care programs

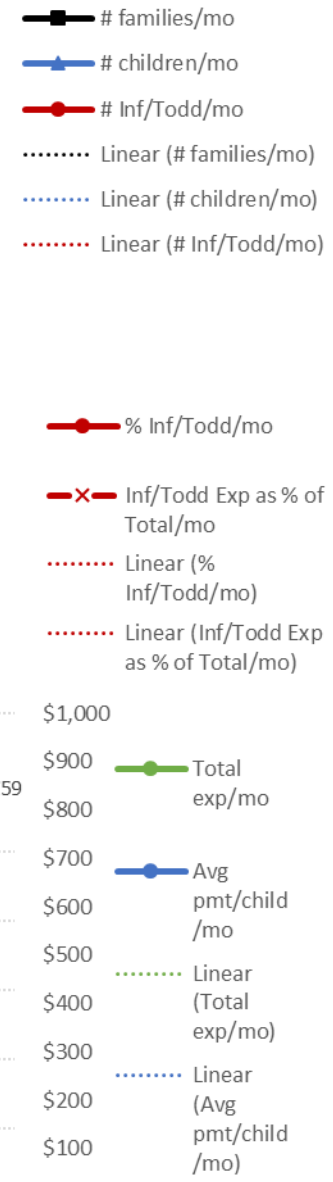
Sector-wide identification and understanding of child care health/safety compliance

23-25 biennium CCAP Utilization and Cost Trends



Change Jul '23–Jan '25 (by month)

- +34% - # families
- +30% - # children
- +48% - # infant/toddlers
- +14% - % infant/toddler as % of children w/CCAP
- +47% - % infant/toddler as % of expenditure
- +118% - Total expend
- +68% - Avg pmt/child



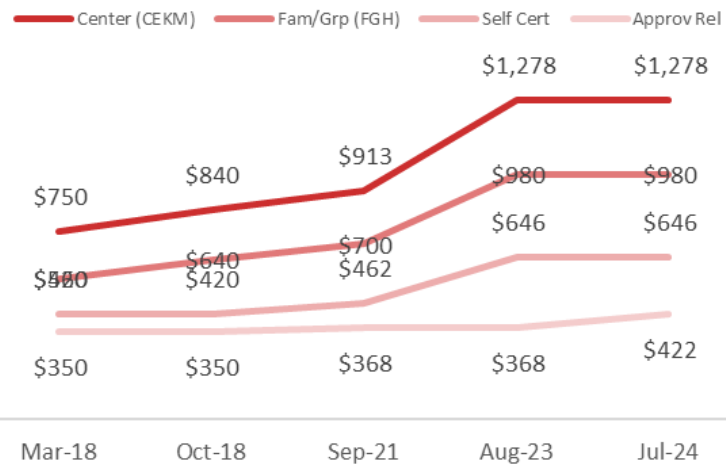
Affordability

Key Indicator: Child Care Access: Cost of Care

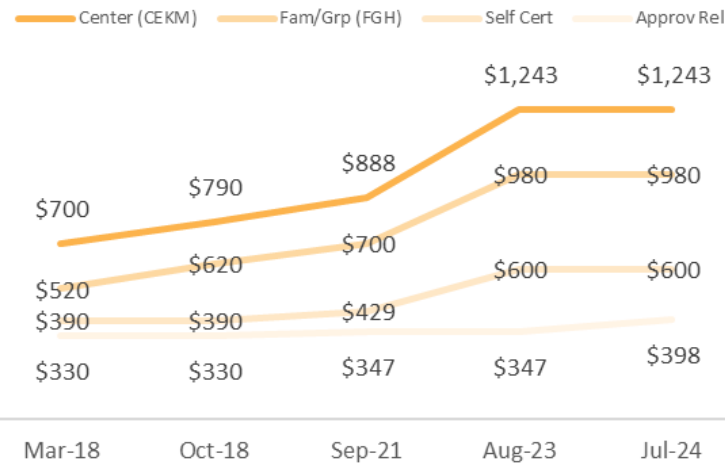
CCAP Market Survey Results 2018 - 2024

The North Dakota Child Care Assistance Program (CCAP) sets the programmatic State Maximum Rate (SMR) at 75% of the “market rate” for services, as verified in a periodic survey of child care providers, with variation in rates by age of children served and type of provider license.

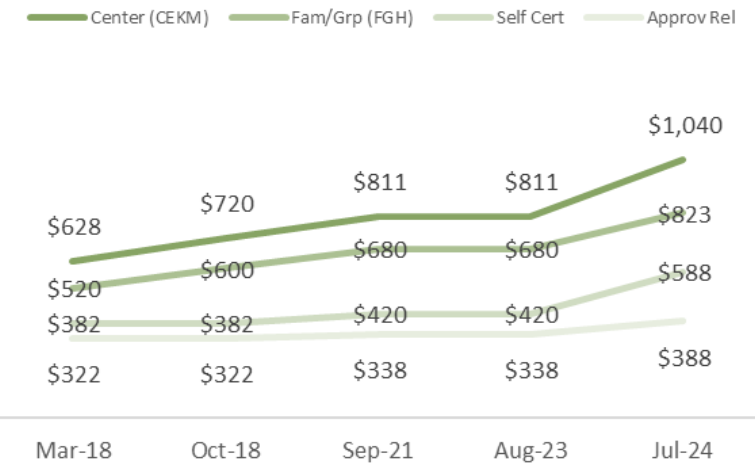
CCAP Rates - Infant (0-24 mo)



CCAP Rates - Toddler (24-48 mo)



CCAP Rates - Preschool (48-72 mo)



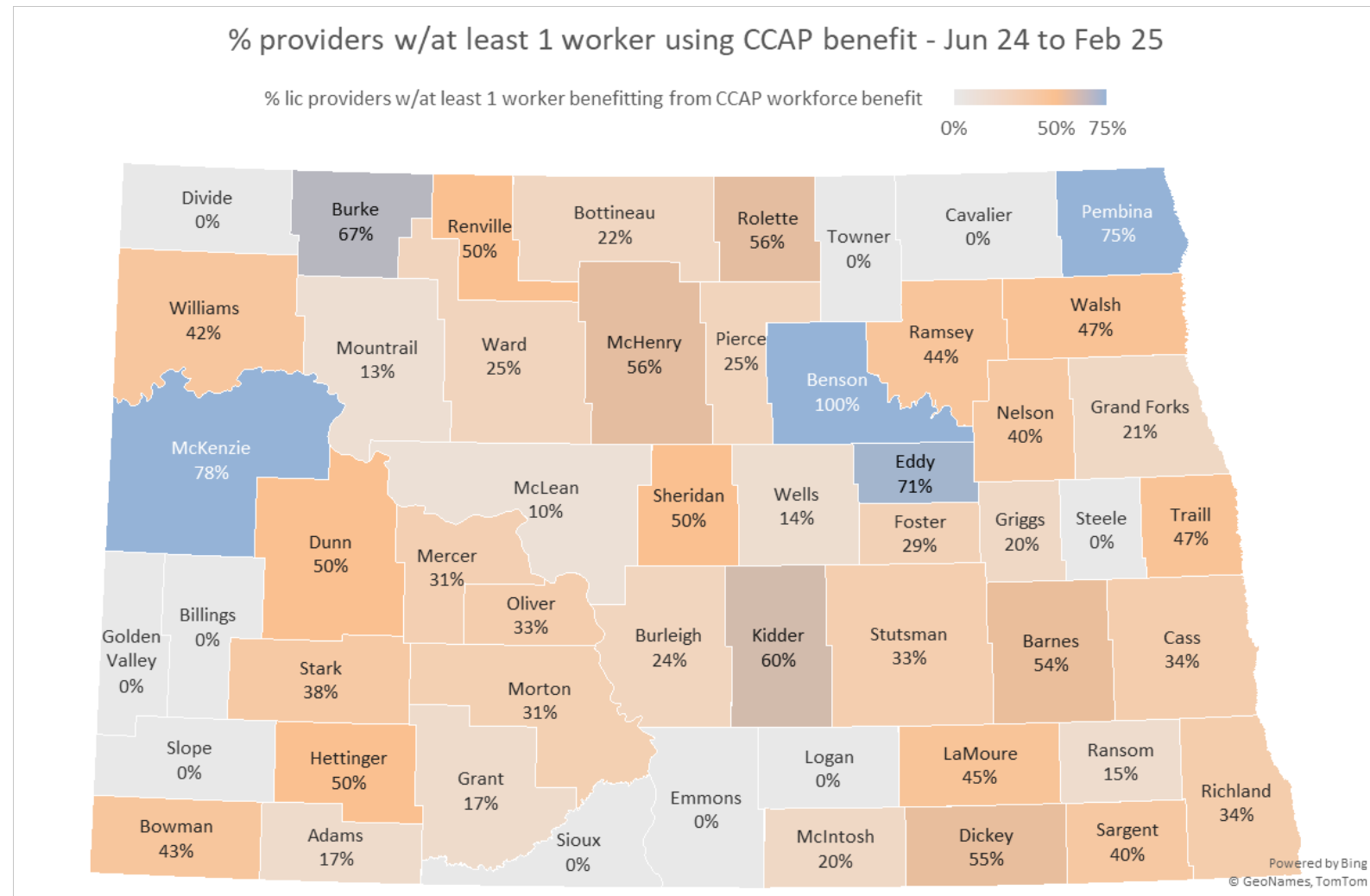
Key Indicator: Child Care Staffing

Child Care Worker Benefit

% Licensed Child Care Providers who have workers utilizing the CCAP Child Care Worker Benefit Jun '24-Feb '25

- **914 workers** employed by 342 providers
- Receiving assistance with child care costs for 1,547 children (approx. 1/3 are ages 0-3)

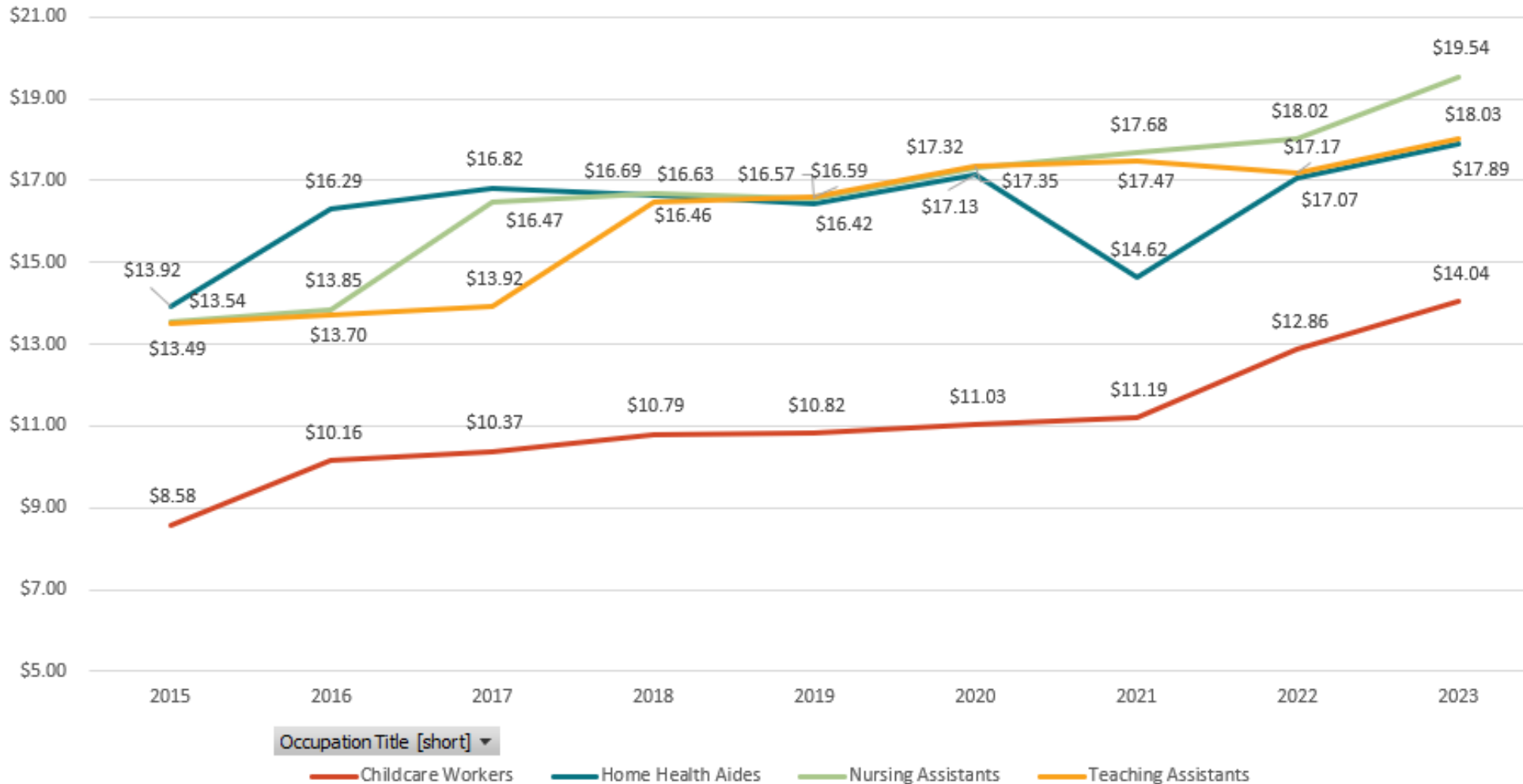
Average monthly assistance / worker = **\$863** which is the **equivalent** to an **\$4.98/hr wage increase** (based on full time status)



Key Indicator: Child Care Availability | Staffing

Child care worker wages rising but not closing the gap

ND **Median** Wage for Select Occupations | JSND Labor Market Information | Employment & Wage by Occupation **2015-23**



The average value of the CCAP Workforce Benefit (\$4.98/hr) essentially closes the wage gap between child care and other paraprofessional service occupations.

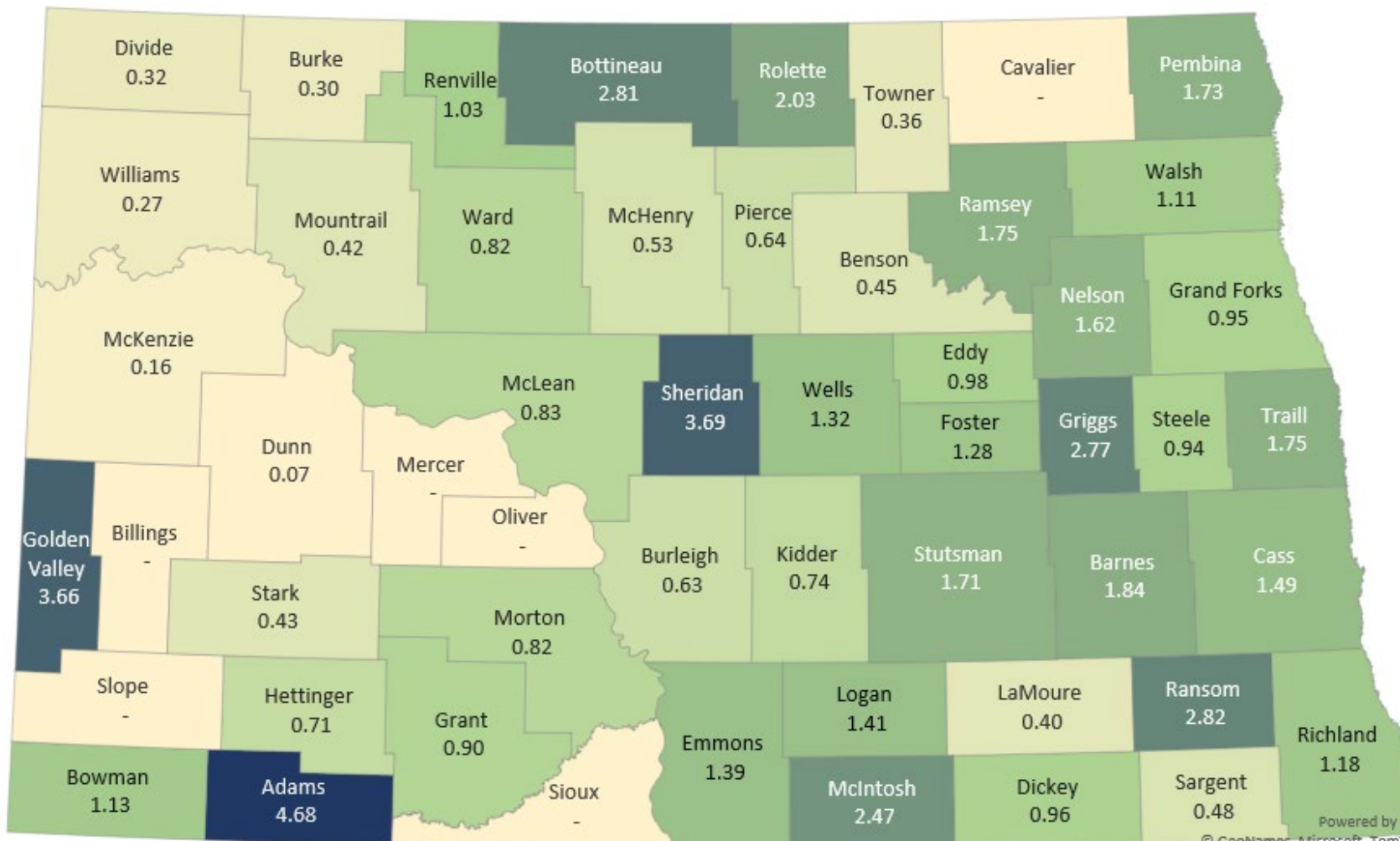
Key Indicator: Child Care Affordability | CCAP Utilization

Child Care Assistance as a proportion of population

of children benefitting from CCAP (0-5) compared to # likely to need CC (all parents in LF), **adjusting for income [2020-21 analysis]**

QUESTION: Is the rate of utilization what we would expect, based on total # of children age 0-13 with all parents in workforce, *adjusting for household income <80% AMI?*

1.0 (green) = yes
 <1.0 (lighter) = less than
 >1.0 (darker) = more than



Key Indicator: Child Care Affordability | CCAP Utilization

Child Care Assistance as a proportion of population

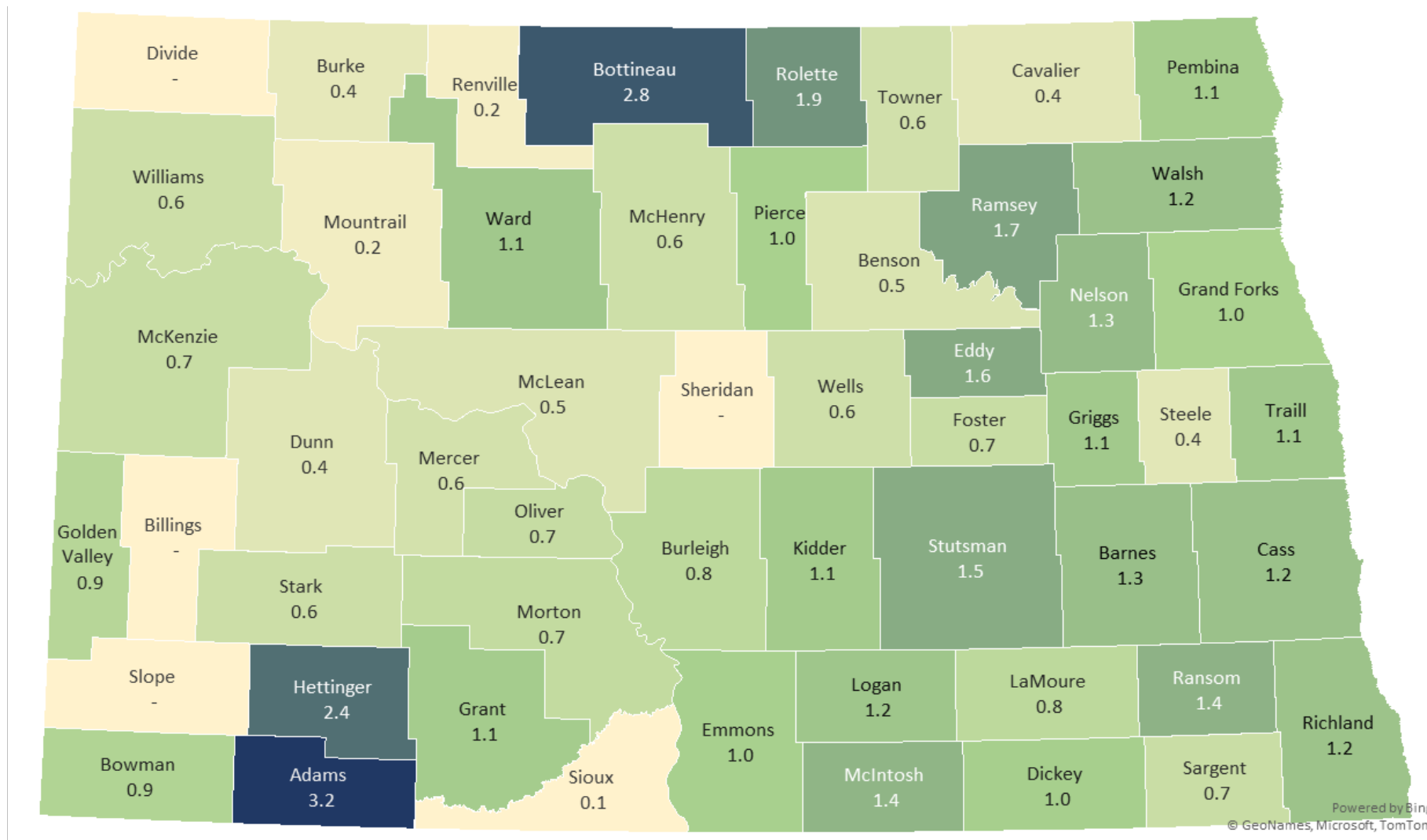
of children benefitting from CCAP (0-5) compared to # likely to need CC (all parents in LF), **adjusting for income** [2024 analysis]



1.0 (green) = yes
 <1.0 (lighter) = less than
 >1.0 (darker) = more than

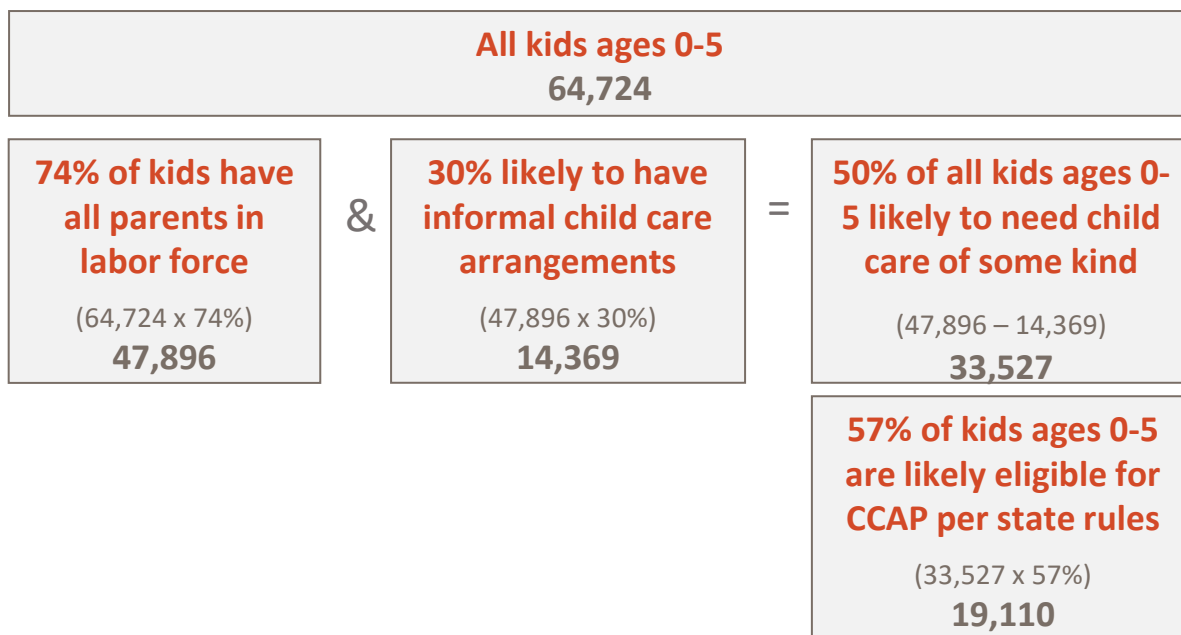


In the last 3 years, the utilization of **CCAP** has become **more evenly distributed** across ND.



Estimating demand

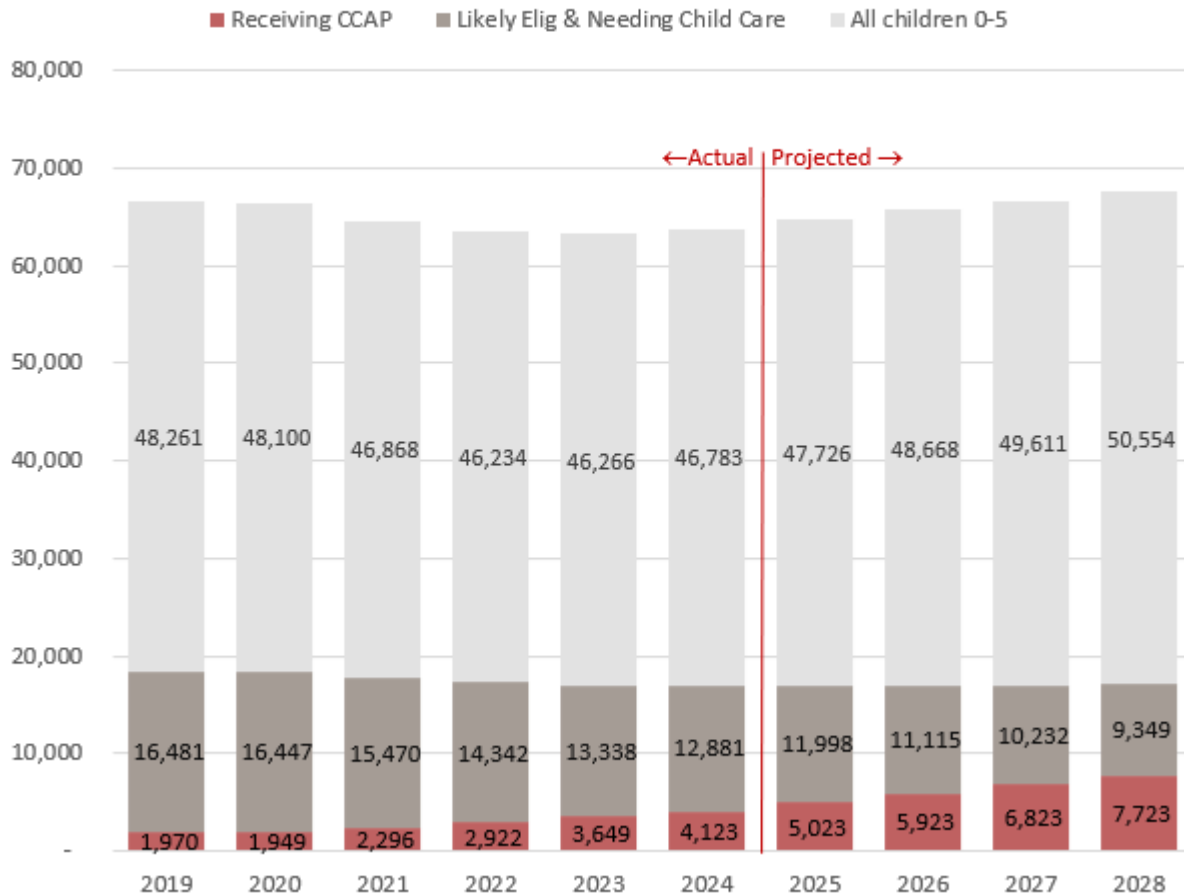
Approximately 30% of ND children younger than age 5 likely need and are eligible for child care assistance



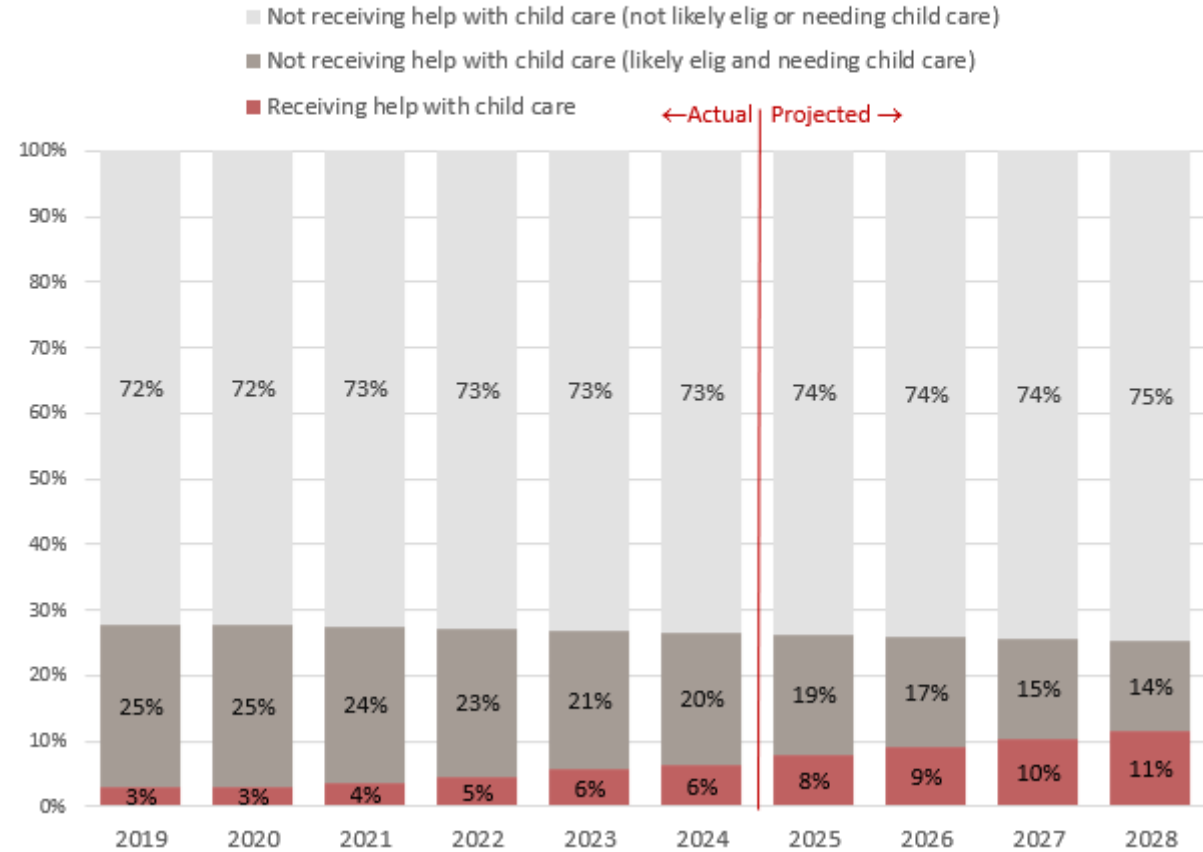
Estimating Demand

In 2024 approximately 6% of children ages 0-5 lived in families who benefitted from some amount of help with costs of child care

Children age 0-5 & Projected Eligibility for and Receipt of CCAP

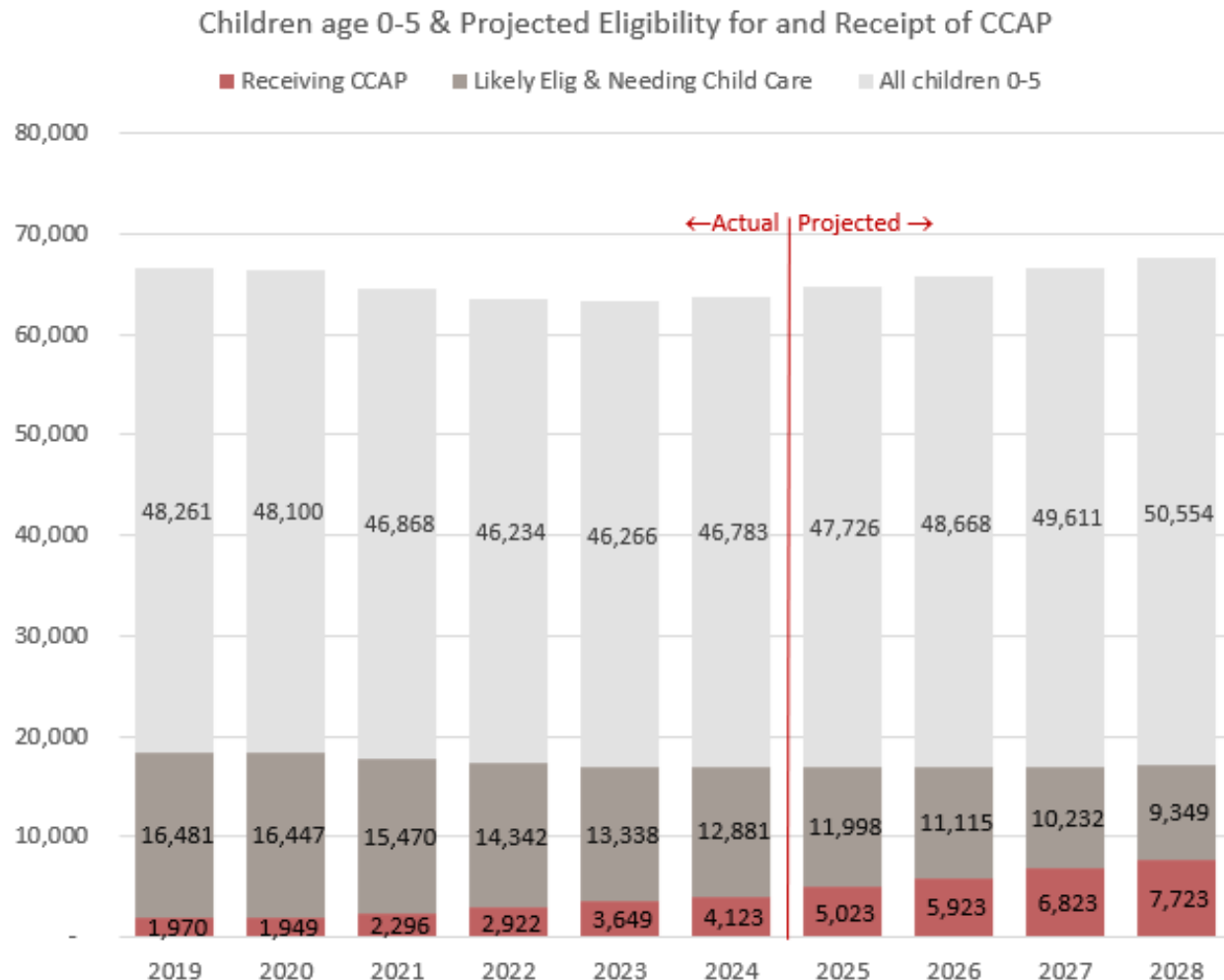


In 2024 approximately 6% of children ages 0-5 lived in families who benefitted from some amount of help with costs of child care



Estimating Demand

Since 2021 the number of potentially eligible families receiving assistance with child care costs has doubled



- What % of eligible children should be benefitting from CCAP?
- Does the goal vary by age (i.e., 0-3, 0-5, 0-11)?
- What % of needs should we assume are met with alternatives to licensed care? (i.e., care not eligible for CCAP)

ND HHS analysis based on U.S. Census data (ND Kids Count Population by single year of age) and CCAP utilization data (SPACES data warehouse)

Assumptions:

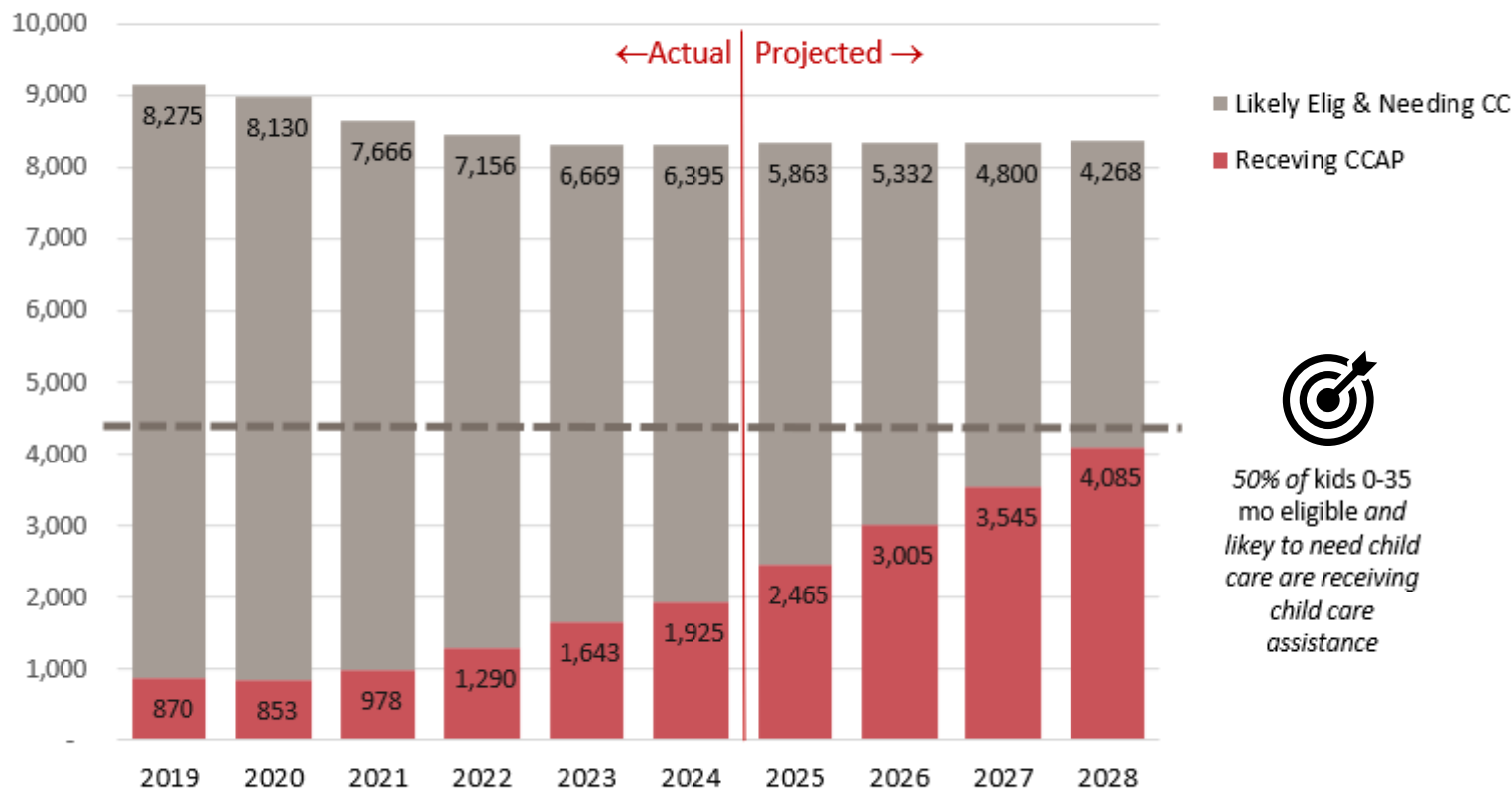
- 0.1% - Population change 0-5 per year
- 50% - % of children age 0-5 likely to need some type of child care
- 57% - % of children 0-5 likely eligible for CCAP as per State program rules

Children 0-5 potentially eligible and likely to need child care but not receiving CCAP

Estimating Demand

A higher proportion of families with young children are accessing child care assistance

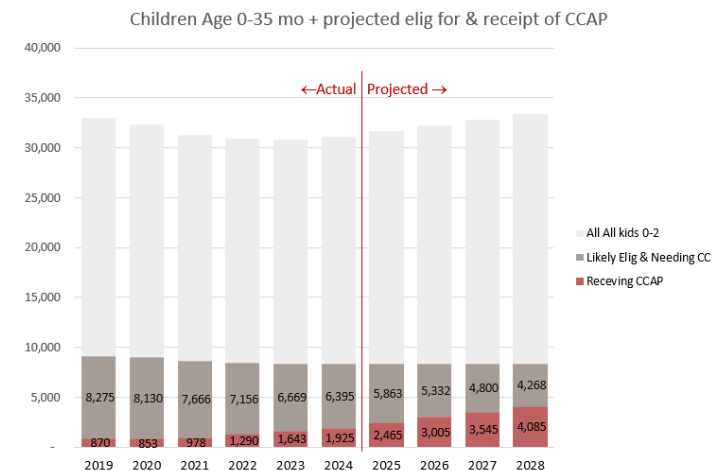
With continued investment 50% of eligible children age 0-2 who are likely to need child care could receive some assistance by 2028



ND HHS analysis based on U.S. Census data (ND Kids Count: Population by single age) and Child Care Assistance Program utilization data (SPACES data warehouse)



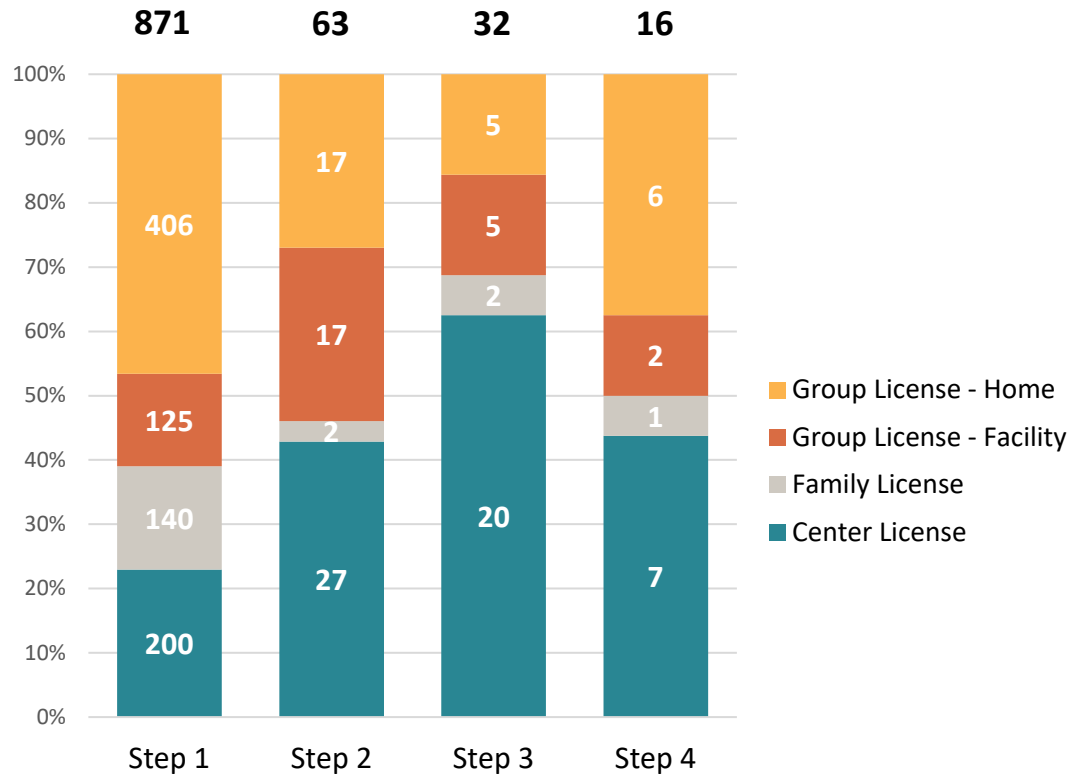
50% of kids 0-35 mo eligible and likely to need child care are receiving child care assistance



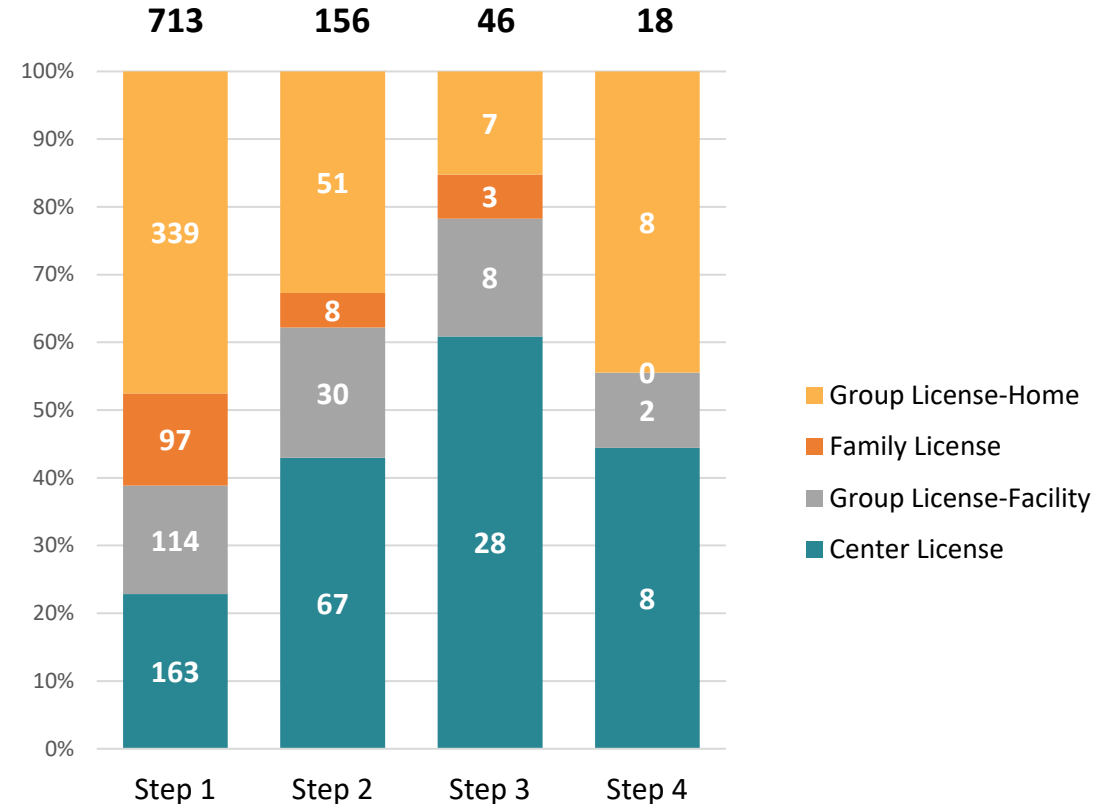
Key Indicator: Child Care Quality | Expanding Access

77% increase in the number of licensed providers with a Step 2, 3 or 4 quality rating

of licensed providers by QRIS rating | July 1 2023 and Feb 1 2025



July 1, 2023
111 programs
 Step 2, 3, 4
(982 total)



February 1, 2025
196 programs
 Step 2, 3, 4
(933 total)

Key Indicator: Child Care Quality | Expanding Access

Quality

13 additional counties now have at least one quality-rated program

July 2023 – February 2025 | Step 2, 3 4 QRIS providers and capacity by county

County	# providers w/ Step 2, 3, 4 QRIS		
	7/1/2023	2/1/2025	Net change
Adams	0	1	1
Barnes	2	3	1
Billings	0	1	1
Bottineau	0	1	1
Bowman	0	1	1
Burleigh	9	16	7
Cass	31	50	19
Cavalier	0	1	1
Dickey	1	3	2
Divide	0	1	1
Dunn	0	1	1
Eddy	0	1	1
Emmons	1	4	3
Foster	2	2	0
Grand Forks	15	25	10
Griggs	0	1	1
Hettinger	1	1	0
LaMoure	1	1	0
McHenry	3	3	0
McIntosh	0	1	1
McKenzie	1	4	3

County	Lic capacity of Step 2, 3, 4 QRIS		
	7/1/2023	2/1/2025	Net change
Adams	-	20	20
Barnes	160	220	60
Billings	-	30	30
Bottineau	-	16	16
Bowman	-	15	15
Burleigh	1,015	1,334	319
Cass	2,373	4,024	1,651
Cavalier	-	86	86
Dickey	30	68	38
Divide	-	96	96
Dunn	-	30	30
Eddy	-	70	70
Emmons	18	83	65
Foster	42	42	-
Grand Forks	1,185	1,659	474
Griggs	-	36	36
Hettinger	30	30	-
LaMoure	9	9	-
McHenry	77	77	-
McIntosh	-	25	25
McKenzie	17	255	238

County	# providers w/ Step 2, 3, 4 QRIS		
	7/1/2023	2/1/2025	Net change
McLean	0	1	1
Mercer	3	3	0
Morton	2	6	4
Mountrail	1	1	0
Nelson	2	3	1
Pierce	2	3	1
Ramsey	2	7	5
Ransom	1	1	0
Richland	1	4	3
Rolette	1	2	1
Sargent	1	3	2
Stark	0	3	3
Steele	0	2	2
Stutsman	5	11	6
Towner	1	1	0
Trail	3	7	4
Walsh	3	4	1
Ward	7	22	15
Wells	1	1	0
Williams	3	13	10
TOTAL	106	220	114

County	Lic capacity of Step 2, 3, 4 QRIS		
	7/1/2023	2/1/2025	Net change
McLean	-	28	28
Mercer	137	137	-
Morton	92	172	80
Mountrail	30	30	-
Nelson	80	110	30
Pierce	58	70	12
Ramsey	199	497	298
Ransom	55	55	-
Richland	149	231	82
Rolette	20	38	18
Sargent	30	177	147
Stark	-	87	87
Steele	-	50	50
Stutsman	185	280	95
Towner	26	26	-
Trail	79	278	199
Walsh	120	142	22
Ward	394	1,033	639
Wells	17	17	-
Williams	134	713	579
TOTAL	6,761	12,396	5,635

2021

- Best in Class (HB 1466)
 - Consolidate many early childhood functions (HB 1416)
-

2023

- Investments in Child Care Assistance, provider grants, and child care infrastructure (HB 1540)
 - Research informed year-before-kindergarten programs (*Best in Class / Waterford Upstart*) (SB 2012)
-

2025

- Continue pushing toward a healthier child care sector and becoming a state where child care is not a barrier to work

