# INNOVATIVE CHILD CARE SOLUTIONS

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February 11, 2025



### THE CHILD CARE CHALLENGE

CHILD CARE WORKFORCE CHALLENGES



UNAFFORDABLE CHILD CARE TUITION

INSUFFICIENT CHILD CARE SUPPLY

### THE ECONOMIC DEVELOPMENT CASE FOR CHILD CARE

OUR ECONOMY SUFFERS WITHOUT IT

- EMPOWERING WORK REPORT (OCTOBER 2024)
  - NC COMMERCE & NC CHILD
- KEY TAKEAWAYS:
  - ~14,498 31,067 WORKING-AGE NORTH CAROLINIANS WITH YOUNG CHILDREN COULD HAVE RETURNED TO THE WORKFORCE IN 2023
  - THIS WOULD HAVE CREATED:
    - \$5.7 \$13.3 BILLION IN ANNUAL ECONOMIC OUTPUTFOR NC
    - A \$3.2 BILLION \$7.5 BILLION INCREASE IN NC'S GDP



How Increasing Employment Among Parents of Young Children Can Grow North Carolina's Economy



NC Child

### INNOVATION #1: CHILD CARE EXPANSION GRANTS

PUBLIC-PRIVATE PARTNERSHIP ALLOWING EMPLOYERS TO SUPPORT ADDITION OF NEW CHILD CARE SLOTS IN EXISTING LICENSED CHILD CARE CENTERS. CURRENTLY OPERATING IN BUNCOMBE COUNTY BY BUNCOMBE PARTNERSHIP FOR CHILDREN AND BILTMORE COMPANY.

#### BENEFITS

✓ WAITLIST PRIORITY FOR PARTICIPATING EMPLOYERS' WORKERS

✓ EMPLOYERS CAN GET INVOLVED AT ANY PRICE POINT

✓ NO NEW CONSTRUCTION REQUIRED

ALLOWS EVERYPARTNER AT THE TABLE TO STICK TO THEIR STRENGTHS

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MORE SLOTS CREATE SHORTER WAITLISTS FOR WHOLE COMMUNITY

### INNOVATION #1: CHILD CARE EXPANSION GRANTS

PUBLIC-PRIVATE PARTNERSHIP ALLOWING EMPLOYERS TO SUPPORT ADDITION OF NEW CHILD CARE SLOTS IN EXISTING LICENSED CHILD CARE CENTERS.

#### **KEY TAKEAWAYS**

MANY OF NORTH CAROLINA'S LICENSED CHILD CARE PROVIDERS ARE LICENSED TO SERVE MORE CHILDREN THAN THEY CURRENTLY SERVE.

ENABLING THESE PROVIDERS TO SERVE TO THEIR LICENSED CAPACITY CAN ADD SIGNIFICANT CHILD CARE VOLUME IN COMMUNITIES ACROSS OUR STATE.

### INNOVATION #2: CHILD CARE TUITION COST SHARING

EMPLOYER SHARES THE COST OF CHILD CARE TUITION WITH THEIR WORKERS.

CURRENTLY OPERATING IN 3 NORTH CAROLINA HUBS THROUGH NC TRI-SHARE PILOT.

#### BENEFITS

✓ EMPLOYERS CAN OFFER COST SHARING AT ANY AMOUNT

✓ CAN SHARE THE COST OF VARIOUS FORMS OF CARE

✓ ADDRESSES SIGNIFICANT COST BURDEN OF CHILD CARE

BOOSTS TALENT RECRUITMENT & RETENTION



### INNOVATION #2: CHILD CARE TUITION COST SHARING

EMPLOYER SHARES THE COST OF CHILD CARE TUITION WITH THEIR WORKERS. CURRENTLY OPERATING IN 3 NORTH CAROLINA HUBS THROUGH NC TRI-SHARE PILOT.

KEY TAKEAWAYS CAN LIFT TUITION COST BURDEN FROM WORKING FAMILIES BY AS MUCH AS 66% VIA NC TRI-SHARE PILOT PROGRAM.

CAN COSTLESS THAN MORE COMPLEX SOLUTIONS WHILE BENEFITTING BOTH WORKER AND THEIR EMPLOYER.



NORTH CAROLINA DEPARTMENT of COMMERCE WORKER ELIGIBILITY IS CURRENTLY LIMITED TO 185 - 300% FEDERAL POVERTY RATE / HOUSEHOLD.

### INNOVATION #3: CHILD CARE FOR PUBLIC EMPLOYEES

LOCAL GOVERNMENTS CREATE NEAR-SITE CHILD CARE OR ENTER PUBLIC-PRIVATE PARTNERSHIPS TO CONNECT PUBLIC EMPLOYEES WITH CHILD CARE. CURRENTLY OPERATING IN TOWN OF BLOWING ROCK (THE FOX DEN) AND CABARRUS COUNTY (LOCKHART CHILD DEVELOPMENT CENTER).

#### BENEFITS

✓ HELPS LOCAL GOVERNMENTS RECRUIT, RETAIN SKILLED WORKFORCE

NEWLY CREATED CHILD CARE SLOTS REDUCE WAITLISTS THROUGHOUT THE COMMUNITY

✓ EDUCATORS CAN BECOME PUBLIC EMPLOYEES WITH REWARDING PAY AND BENEFITS,

**REDUCING TEACHER TURNOVER** 

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#### **KEY TAKEAWAYS**

EXPENSIVE OPTION, BUT CAN PAY FOR ITSELF BY HELPING LOCAL GOVERNMENTS RETAIN WORKERS IN HIGH-DEMAND ROLES (PUBLIC SAFETY, EMS, FIRE, ETC.).

SOME LOCAL GOVERNMENTS MAY HAVE UNUSED PROPERTY THAT COULD BE UPFITTED TO CREATE NEAR-SITE CHILD CARE FOR THEIR WORKERS. COULD ENCOURAGE LOCAL GOVERMENTS TO APPLY FOR CDBG / RURAL REDEVELOPMENT FUNDING TO SUPPORT THESE PROJECTS.



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