



# Understanding Childcare Challenges in Rural America

**Strategic Recommendations and an Action Framework** 

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## **Executive Summary**

Long thought to primarily concern women, the lack of affordable and available early childcare has now become a national economic challenge that affects families, businesses and communities across the country. Employees rely on childcare to work, employers rely on childcare to attract and retain a diverse workforce, and the economy relies on parents being active participants in the regional delivery of services and goods. Rural communities are especially hard hit by inadequate early childcare, and rural broadband providers are increasingly searching for ways to address the challenges in their communities. According to the National Advisory Committee on Rural Health and Human Services, "nationally, rural children under five years old make up 24 percent of children eligible for child-care services in the country, yet 55 percent of these children live in a child-care desert." In addition, rural communities witness issues related to distance, transportation, availability, and quality.<sup>1</sup>

In an effort to spotlight the importance of this economic issue, add to the discussion, and provide some current models that address the challenges, this white paper reviews literature and academic research to reveal various childcare models. To accomplish this, we answer this collection of questions specific to:



#### Why is early childcare an issue?



What are some samples of successful utility-cooperative employerowned childcare models?



What steps can be taken to assist the childcare crisis?



What recommendations can state and local governments, employers, and childcare providers take to assist in the childcare crisis?



The following sections are organized around this set of questions to provide a robust academic review of the current types of childcare models around the United States, with a particular emphasis on rural America.

National Advisory Committee on Rural health and Human Services, January 2023.

# Define the Childcare Challenge in Rural America

## Why is Early Childcare an Issue?

In addition to the important, central role that quality childcare plays in the intellectual development of children, it is also a vital economic driver of a community. Employees rely on childcare to work, employers rely on childcare to attract and retain a diverse workforce, and the economy relies on parents being active participants in the regional delivery of services and goods.

A state relies on industry and its employees' earnings to develop and expand its tax base, which consists of sales and import taxes on goods and income taxes on corporations' and employees' earnings. Additional economic investment in the region and established businesses' affiliated expansion and growth becomes challenging without an adequately sized workforce. But more than that, the lost wages and earnings, production drop-offs, and lagging sales figures translate into millions of dollars of lost revenue for state and county governments that rely partly on payroll, sales, and property taxes. With such a central role in a community's economic and social well-being, it is shocking that the system has been allowed to devolve into what currently exists. In a nutshell, early childcare, as currently constituted, remains a broken system. Employers and providers struggle to profit, as evidenced by the many providers closing their doors for good in the years after the COVID-19 pandemic. Moreover, for childcare workers, the wages paid often qualify them for a wide array of public assistance, and, in most cases, the wages earned are not even enough to cover the costs of childcare for their own children. Finally, despite providers not making enough money to build a sustainable model and employees earning wages at or below the poverty level, childcare costs for parents are burdensome and often insurmountable.



## Challenges/Barriers to Early Childcare

Childcare challenges are expensive and complicated to fix. The list below outlines some examples of barriers to early childcare.

- Capacity: The number of children needing early childhood development often exceeds available seats at early childcare providers. As a result, childcare wait lists are frequently long for limited seats and can last for years. Particularly in rural areas or areas of depressed economic activity, there are often not enough early childcare providers, and "childcare deserts" emerge, leaving work-willing parents with no local options should they wish to rejoin the workforce.
- Affordability: The high cost of care, driven by the expense of providing a safe, secure environment for children to learn and develop, impacts parents' ability to place their child(ren) in early childcare and limits the number of viable options available for childcare, particularly for lower-income parents and families.
- Regulatory Challenges: Extensive and sometimes burdensome licensing, quality, and compliance requirements affect the operational costs of early childcare providers, driving profit margins down. It is with good reason that many of the most stable childcare providers are constituted as nonprofits. Without this designation, access to grants and government funding is extremely limited, and without grants, childcare models seldom return a profit. In particular, the end of COVID-19 pandemic-related funding for childcare has had an immediate and drastic impact on parents and providers. Throughout our discussions, it was asserted that enrollment has/ will plunge with the expiration of this important funding assistance for parents.
- Employee Challenges: It is extremely difficult for childcare providers to attract and retain qualified early childcare teachers and assistants, thanks to the low wages and lack of employee benefits typically provided to these workers. In many examples, hourly rates in this industry, especially for entrylevel workers, are well below entry-level wages in manufacturing and service industries. Those comparative industries often do not even have high educational attainment and licensing, but still make low wages.

- Policy Challenges: Local or state roadblocks to further funding, advocacy, and the criticality of early childcare issues are often mentioned. Although legislators are slowly embracing the importance of this industry, too often, it remains an overlooked part of economic vitality. Childcare, it can be argued, should be considered in concert with infrastructure investment (ensuring roads, bridges, and transportation networks are in good working order) as an essential part of "doing business" in the state. In addition, many states, specifically those that are geographically large, undermine the cost of administrative costs in traveling, licensing, and supporting the childcare industry.
- Poverty, Transportation, Housing Challenges:

Poverty, transportation, and housing-related barriers that feed into access and affordability of early childcare coverage are multipliers regarding lack of access. Often these disaffected communities, comprised of parents who fill important roles in a service economy or lower-wage positions, are overlooked. Without access to affordable childcare, returning to the workforce and moving along a career progression ladder is impossible, leaving the community's most vulnerable segments even further behind. TPMA, Inc. worked closely with the Foundation for Rural Service (FRS) to prepare this academic white paper on understanding the childcare challenges in rural America. FRS is a non-profit 501(c)(3) organization created in 1994 by NTCA-The Rural Broadband Association. The organization works in cooperation with NTCA and its independent, community-based telephone and broadband providers to sustain and enhance the quality of life in rural America by advancing an understanding of rural issues.

NTCA has been working to build a more connected future for members to better serve rural communities since 1954. Responding to consumer demand, these small businesses and independently owned providers have evolved beyond traditional telephone companies to become one-stop technology service providers, offering the Internet's fastest speeds and numerous broadband-enabled services, including over-the-top video, home security, telemedicine, remote learning, computer repair, and cloud services."



#### **Shirley Bloomfield**

Shirley Bloomfield is the chief executive officer of NTCA – The Rural Broadband Association. Bloomfield has extensive expertise in the role of federal communications policies, with an emphasis on sustaining the vitality of rural and remote communities. Additionally, Bloomfield is an expert in the benefits rural broadband networks bring to millions of American families, businesses, and the national economy.

Discussing the challenges to childcare, Shirley described, "I'm not seeing set aside funding to support daycare in some of the rural areas. Again, it's hard to focus on rural vs. urban, and the challenges are unique. You may have too many slots in urban areas, whereas in rural areas, you may have to travel two hours for quality childcare. Policymakers will have to look through it on a different lens." In addition, when asked for her recommendations to assist with the childcare crisis, Shirley went on to state, "People are afraid to take on what may seem like liability. It's about identifying those sets of skills of how to gather those leaders and identify anchor institutions that will partner."

## **Childcare Providers and Assistance**

To understand early care and education, it is important to have some information about early childcare coverage and its providers. Early childhood is readily understood as birth through eight years of age. This time period is widely considered the most vulnerable and crucial stage of a person's life and education focuses on guiding children through play.<sup>2</sup>

Childcare providers come in many shapes and forms to address families' needs. For example, the state of Indiana categorizes childcare in various ways. The following information describes the types of early childcare and is courtesy of Brighter Futures Indiana.<sup>3</sup>



#### **Home Providers**

- Licensed Family Child Care Homes
- · Not licensed Family Child Care Home approved for CCDF vouchers
- · Not licensed providers with fewer than five children who are not related



#### **Religious Providers**

- · Registered ministries with a voluntarily certified program designation, often called VCP
- · Registered ministries approved for CCDF
- · Registered ministry

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#### **Center Provider**

- Early childcare occurs in a non-home facility and is for at least one child.
- · These centers must be licensed unless there is a specific exemption.



#### **Preschool and Before or After School Programs**

- These programs are not required to be licensed.
- They may take place in licensed environments. If they become licensed, then they are considered centers.



#### **Public or Private Schools Offering Preschool**

• Preschool or pre-kindergarten may occur in these settings.



#### **School-Based Programs**

• Local school corporations or private schools are responsible for these. They may or may not have a license depending on certain factors, like serving infants and toddlers.



Indiana Early Learning Advisory Committee, n.d. Brighter Future's Indiana. n.d.

# What are NTCA members doing to address the childcare issue?

TPMA, Inc., in collaboration with Foundation Rural Service, conducted interviews with Kristi Westbrock, Dave Wolf, and Shirley Bloomfield to acquire anecdotal and qualitative evidence of their specific types of childcare models and efforts in rural America. Each of the following is a brief description of each interview including highlights related to ending the childcare crisis in rural America.



The Consolidated Telephone Company (CTC), with offices in Brainerd, Baxter, Crosby, and Mountain Iron, Minnesota, is a telecommunications cooperative company striving to deliver state-of-the-art internet, TV, and phone services. The website states, "As our rural communities rely on higher speeds and more reliable internet services for communication, entertainment, and conducting business, CTC remains committed to current and future demands."

Kristi Westbrock is the chief executive officer & general manager at CTC with 26 years of industry experience in training in technology, regulatory, business operations, and product development. Kristi was also appointed by FCC Chair Rosenworcel to serve on the Interagency Working Group to submit proof to Congress on Workforce Development in the United States. Westbrook has served on numerous local and state committees and boards of directors within the telecommunication industry and as a trustee on a national board. In addition to the remarkable contributions mentioned above, Kristi was instrumental in developing a childcare program that operates as an employer-owned model. In our interview, Kristi gave the TPMA team insight on her story and relationship with childcare. "14 years ago when I had my daughter Emily, I had her at a home daycare, and the schedules did not work. The daycare basically fired me as a result of scheduling conflicts. I was in a panic mode and was working on my career and loved what I was doing. I called the YMCA, and I was in a panic. They were so helpful; they got me in and made a spot for Emily. I remember dropping her off, knowing that I could drop her off with no repercussions. [...] The Y was a saving grace. I was so impressed with their program. Emily saw diversity at a very young age, and she saw people that she didn't normally interact with. My husband also got involved and jumped on the board of directors. He knew that the program needed to be worked on and expanded. [...] My daughter now has her first job working at the YMCA."

Through their involvement in the childcare arena, Kristi and her husband were able to assist in the development of a new daycare facility through the renovation of a funeral home building. Funding for the renovation and expansion came from federal, ARPA, and city sources. The remaining gap funding was covered utilizing a USDA-RD Loan owned by CTC. Also, CTC owns a summer camp that partners with the YMCA to provide outdoor recreational sports and activities for youth.

The Model—CTC partners with the YMCA and the local Economic Development Association (EDA) for childcare operations and loan mechanics. In short, the YMCA is responsible for paying off the loan to CTC, which is financially liable, oversees the loan, and owns both the daycare and summer camp. In addition, the CTC partners with the local EDA, which handles the administrative portion of the USDA RD Loan. The CTC is guaranteed two toddler spots and one infant spot within the childcare facility. The governing body is the YMCA Board of Directors.



# Dave Wolf

Gardonville Cooperative Telephone Association is a telecommunications cooperative providing services for four exchanges in west Central Minnesota. In addition to their telecommunications services, Gardonville Cooperative Telephone Association is extremely active in the community, participating in various events and meetings and opening their employer-owned model daycare.<sup>4</sup>

Dave Wolf, the CEO of Gordonville Cooperative Telephone Association, is an expert in the telecommunications industry with over 33 years of experience, 21 of those years at Gardonville Cooperative Telephone Association.

The Gardonville Cooperative Telephone Association realized a need for subsidized daycare, specifically infant and toddler care, for its employees. In 2008, the company built a new headquarters and began considering expanding to include daycare. Utilizing a non-profit status, the corporation acquired a unique daycare license. In addition, a second daycare location was opened to assist with the issue of childcare in the area. The cost of daycare is subsidized for employees of the cooperative. COVID-19 impacted the daycare arena nationwide, but specifically impacted these two daycares. Unfortunately, due to different challenges, both locations have been closed for the development of a new childcare facility that will hold 52 children and include infant care. The cost will be subsidized for Gardonville employees, and the location is close to the cooperative's headquarters. When asked about what inspired Dave and the company to work towards the development of a daycare, he replied, "As an employer that's trying to attract younger talent, we must provide these services. I believe it's probably the only way to keep operating in small towns in rural areas. If these services don't exist yet, create them."

Another example of an employer-owned model, Gardonville represents an innovative approach to providing solutions to the childcare crisis.



## **Action Framework**

So what can a company do to address childcare challenges in their community? It won't be easy, but the following steps suggest a roadmap for companies to consider. Any steps taken to mitigate the lack of childcare – even baby steps – are progress toward addressing the problem.

## Define the Problem

Conduct childcare needs assessments to understand cost, capacity, and challenges facing parents and employers.

Raise general awareness of collective issues experienced by different types of childcare providers, such as operational and licensing costs and unique issues to each type of childcare provider.

• For example, providers that are not 501(c)(3) organizations have additional barriers to getting funding since certain organizations only provide funding to registered 501(c)(3).

Utilize academic research and nationwide resources, policies, and examples of successful childcare models to drive awareness and policy change state and nationwide.

 Tri-Share Model, childcare coalitions, childcare collaboratives, college and technical university models, foundation-led programs, and employerowned programs are just a few examples of the types of efforts nationwide in rural America. See Appendix

## Identify Current Assets

What assets already exist in your community? Types of community development assets include human, social, political, financial, cultural, built, and natural.

Leverage the school district's network of engaged parents who can provide insight into childcare issues and explore possibilities for early care and learning at schools.

Leverage community colleges, technical colleges, and universities to identify needs, gaps, challenges, and solutions to student-based childcare issues.

Consider developing a map of early childcare providers to understand better childcare deserts and the likelihood of parents transporting across counties for early childcare.

Identify partners and stakeholders that are untapped in the current childcare effort.



## 3 Group Development

Who else in the community is feeling the effects of inadequate childcare? Find common organizations or businesses and work together. Continue regional and county efforts in childcare and ensure communication about county-specific efforts to share information regionally and avoid duplication of efforts.

Collaborate with community foundations who are meeting with childcare providers.

Collaborate with community partners, business leaders, government leaders, economic developers, state legislators, childcare providers, and parents to identify solutions, design solutions, identify funding, and implement those solutions.

Form coalitions, collaboratives, and cooperatives that emphasize community development to address the childcare crisis. If these exist, support ongoing models and emphasize advocacy for updated modeling and universal childcare.

Support business leaders in expansion and redevelopment with employer-owned childcare models as an example.

## 4 Design Solution

Just like designing a new fiber deployment, sometimes your solution to the childcare problem is determined by your funding and external restrictions. Identify funding in tandem with designing a solution. Funding can mandate the type of solution, organizational structure, and standards.

Review and research the different types of childcare models currently in the United States. Examples include Tri-Share, childcare coalitions, childcare collaboratives, career and technical community college models, foundation-led programs, and employer-owned programs. See Appendix A for a variety of recommended models that may work in your situation.

Design a solution relevant to the community and its childcare needs. Prioritize solutions on a short, medium, and long-term scale. Identify solutions to the challenges and barriers identified in the needs assessment.

Continue investigating new developments regarding early childcare in other states nationwide and consider in-person or virtual meetings to learn more about their practices and implementation.

Continue efforts regardless of obstacles and challenges. Many successful childcare models developed due to a failed grant application or a denied loan. Continue conversations to ensure incremental change.



## **6** Identify Funding

Share state or federal funding updates with clear ways for certain stakeholders to participate. Review funding requirements and familiarize yourself with general eligibility requirements and the scope of services.

Research funding regularly. Identify Request for Proposal list serves or mailing lists specifically for developing new funding federally and state-wide.

Utilize innovative funding mechanisms outside of normal grant funding, including loans, TIF districts, or land endowment funds.

#### Suggested Funding Resources: United States Department of Agriculture – Rural Development

- <u>Rural Economic Development Loan & Grant Programs</u>
   <u>Rural Development (usda.gov)</u>
- State Offices | Rural Development (usda.gov)
- Find Your Local Service Center | Rural Development (usda.gov)

#### Economic Development Administration

- All Funding Opportunities | U.S. Economic Development Administration (eda.gov)
- <u>Contact Us | U.S. Economic Development</u> <u>Administration (eda.gov)</u>
- <u>Economic Development Directory | U.S. Economic</u> <u>Development Administration (eda.gov)</u>

#### Office of Child Care

 Office of Child Care (OCC) | The Administration for Children and Families (hhs.gov)

## **6** Implementation

Remove obstacles to creating and advocating for shared resource pools for childcare providers, such as substitute teachers and administrative pools.

Reduce the burden on providers by lowering the cost and increasing the speed of getting teachers licensed and into the classroom.

Consider educating childcare workers about how to run a center and encouraging their professional development and entrepreneurial spirit. This could assist in creating more entrances, which would increase capacities and seats for childcare.

Consider the development of apprenticeship programs for early learning development topics. Partner with universities, community colleges, and technical colleges on early learning development curriculum development and coordination.

Consider and engage local and state leaders to ease the burdens placed on substitute teachers, childcare providers, and childcare staff.

Allow childcare providers to file on behalf of parents for childcare vouchers.

Adhere to compliance standards set forth by Federal and State agencies.

#### Federal Resources:

<u>Child Care and Development Fund Final Regulations |</u>
 <u>The Administration for Children and Families (hhs.gov)</u>

#### State Resources

Home | Licensing Regulations Database (hhs.gov)

## Recommendations

The challenge of childcare looms large across the country, and multiple initiatives are already underway that can be utilized to address childcare shortages and affordability. Based on our national, regional, and local reviews, we organize these potential solutions into four levels: State-based, locally-based, employer-based, and childcare-facility-based. Any of these approaches, of course, will require further examination and planning before implementation. Recommendations also provide avenues for discussion at local, regional, state, and national levels to prepare stakeholders for a path forward in addressing childcare impact challenges for parents, childcare providers, and employers.

## **State-Based Recommendations**

## Streamline Governance

Unfortunately, governance can be a challenge in the childcare arena. In many states, resources are scattered among various agency websites, creating confusion for parents and providers. To address this, states are encouraged to develop a centralized network or "one-stop shop" resource center. Developing one-stop resource centers or divisions emphasizing infants' and children's early learning and development can assist states in developing internal capacity and centralizing resources. This capacity can then be tapped and distributed among these departments, hubs, or facilities, like the Michigan Tri-Share Model. Both South Carolina and Utah have created resource centers for early childhood services.<sup>5</sup> In addition, states are encouraged to increase childcare state staff administrative costs, travel, and time allowances to accommodate for geographically rural areas.

## Identify, Create, and Expand Funding Mechanisms

Early education and childcare are expensive, and many families continue to find them unaffordable. As a result, states are encouraged to identify, create, and expand funding mechanisms. One method is the development of funds earmarked for early childhood learning and development, typically from a larger fund. For example, New Mexico amended the State Constitution to create the Land Grant Permanent Fund. This fund annually allocates funding to the Department of Early Childhood Education and Care to provide universal childcare.<sup>6</sup> An additional method would be to create a funding tax or mechanism. For example, in Noble County, Indiana, County Commissioners utilized a county economic development income tax as a set-aside funding source to launch the Tri-Share pilot.<sup>7</sup>

Expanding to include allocations directly linked to early childhood learning and development is necessary to address the affordability of childcare in terms of subsidy assistance, infrastructure development, and programmatic assistance. By creating new funding mechanisms, states can centralize funding to be distributed directly to the early childhood learning and development space. In addition, states are encouraged to have consistent funding to sustain efforts.

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Turner, March 6, 2024.

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Turner, March

# Build Supply and Workforce

While emphasizing the above recommendations, building supply and workforce should also remain a simultaneous priority. Workforce-based state agencies can develop career pathways and apprenticeship programs to assist in career development and retention. Through these programs, a state can aid by responding to workforce shortages, turnover, and lack of access to technical assistance and training materials.<sup>8</sup> Forbes Advisor defines an apprentice as an individual who receives compensation to learn a specific trade under the supervision of an experienced tradesman.<sup>9</sup> Apprenticeship programs have been created nationwide and have been highly successful. In a childcare atmosphere, apprenticeship programs utilize classroom instruction, on-the-job training, and professional mentorship. While maintaining on-the-job training, participants can acquire state and child development associate credentials, an associate degree, or a bachelor's degree. Partnerships with school districts and universities are great resources for developing an early childhood learning development apprenticeship program.<sup>10</sup>

8 Bipartisan Policy Center, October 2023.

Galarita, March 7, 2023.

10 Bipartisan Policy Center, October 2023.



## **Locally-Based Recommendations**

# Develop Partnerships and Coordinate

Partnerships are pivotal to tackling the childcare crisis collectively. All the models presented throughout this analysis outline the relationship between people, ideas, and organizations. Childcare is multifaceted and involves creating relationships with various actors. Local governments are encouraged to prioritize expanding current childcare efforts by partnering with active collaboratives, coalitions, or other groups. Developing partnerships should remain the priority in areas where those groups do not exist. By partnering with economic development organizations, libraries, childcare facilities, schools, universities, and businesses, local governments can begin to understand the breadth of the problem to address solutions.

# Review the Current Childcare Landscape

To begin, coordinate with local businesses, economic development organizations, consulting firms, nonprofits, or childcare experts to conduct a needs assessment of the current landscape of the childcare industry, including cost and capacity. Coordinate with economic development organizations and government officials on past, current, and future planning documents to adequately advocate for childcare assistance and expansion. In addition, review local zoning ordinances and inventory zoning county-wide to sufficiently measure the availability of infrastructure development. Consider redevelopment of abandoned or vacant property for childcare facilities and possible blight elimination. By creating a consistent inventory of available property, land, businesses, etc., local governments can identify future development opportunities and any barriers or challenges to development.11

# Develop Facilities and Infrastructure

Childcare capacity remains a significant issue in rural areas and communities in terms of distance to facilities and the number of seats and staff. Communities are encouraged to construct, renovate, and maintain childcare facilities to address this. Consider expanding or rehabilitating current childcare facilities, especially in rural areas, as new childcare facility development might have challenges or barriers. Partner with state agencies, nonprofits, and community foundations to research funding opportunities. Research federal grants, loans, and credit mechanisms opportunities as they arise. Lastly, advocate childcare challenges to the business and philanthropic community. Partnering with these groups assists in creating advocacy and possibly in acquiring future investments.



## **Employer-Based Recommendations**

## Implement Employee **Assistance Programs**

Employee Assistance Programs (EAPs) are voluntary, workbased programs offering free and confidential assessments, short-term counseling, referrals, and follow-up services to employees with personal and/or work-related problems.12 Some businesses are beginning to formalize childcare and childcare support networks and resource hubs as part of a broader approach to the traditional EAP. This low-to-nocost solution would provide a formal network of working parents to support each other and allow the business to gain feedback and insight into childcare-based challenges and solutions from its employees. By tapping into a potential forum for parents to express concerns and challenges, and crowd-source solutions, employers can remain a fully engaged participant in the ongoing dialogue and be at the forefront of new solution implementation.

## Provide Flexible Scheduling

The COVID-19 pandemic exposed a new wave of remote work and the potential for employers to adapt to a more flexible work environment. Flexible scheduling adjusts work shifts to accommodate the childcare needs of working parents. The U.S. Chamber of Commerce Foundation suggests first determining the scheduling gaps of working parents and seeking out opportunities to implement flexibility. Once implemented, track the impact of flexible scheduling to understand how those changes retain working parents.13 Manufacturing employers, often running multiple shifts, have had some success with "micro-scheduling" and self-scheduling apps, allowing employees to work split or extended shifts, working together via a real-time scheduling app to ensure full coverage of all shifts. Employees who prefer to work a standard shift with regular days off retain that ability and often serve as the backbone of the scheduling process. The micro or split shift employees fill in the gaps in the calendar, allowing parents, for example, to be home before and after school or until their partner is available to look after their child.

## F Offer Childcare Subsidies

Another opportunity to combat inaccessibility and cost is that employers can utilize childcare-based subsidies like Dependent Care Flexible Spending Accounts (DCFSAs) or vouchers for local/preferred childcare facilities. DCFSAs are considered pre-tax accounts used to pay for eligible dependent care. Additionally, providing working parents vouchers for childcare providers could reserve a certain number of spots, possibly with discounted employee rates.14 The U.S. Chamber of Commerce Employer Guide to Childcare Assistance and Tax Credits<sup>15</sup> has additional insight on other employer-provided subsidies and employee tax credit options. While certainly this would add an additional benefit, and affiliated expense, for employers and questions of reciprocity for employees without childcare needs should be considered, the net benefit- which we lay out above in terms of additional GRP generated- of attracting or retaining new employees not otherwise available/possible will almost certainly outweigh the cost to employers.

## Explore Nontraditional Solutions for Working Parents

Although every industry faces some working parent challenges, frontline employees, shift workers, or parents working non-traditional hours are the most at risk of facing harsher barriers to accessible childcare. Employers engaging in non-traditional operating hours should consider non-traditional solutions for working parents to retain the labor force and increase employee productivity. Microshifts, self-scheduling, hybrid work schedules, and shortterm childcare support options are all examples that could be explored, depending on the employer's size, needs, and location.

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U.S. Chamber of Commerce, April 28, 2022 Shove, April 28, 2022.

<sup>12</sup> 13

# Childcare Centers

On-site childcare addresses the access and affordability of working parents. Although this solution would require significant investment and time, it would provide long-term solutions for working parents-and provide a valuable perk to attract and retain talent for employers. The U.S Chamber of Commerce Foundation recommends first assessing the needs of working parents, creating a "task force" to oversee the initiative, thoroughly researching the internal capacity for an on-site center, launching the program, and tracking the facility's impact. Additionally, consider how to offset the cost of the center by utilizing existing subsidies, grants, and tax credits and incentives.<sup>16</sup> Co-operative agreements between multiple employers to fund, for example, a childcare center as part of an industrial park, is also a viable option to split the cost among a consortium of employers, often in exchange for a guaranteed number of seats.

Locally, the Toyota North America facility in Gibson County has provided childcare for its employees since 2003. In the 2022 NAM article, "The Right Thing to Do": Toyota Provides Overnight Child Care,"<sup>17</sup> NAM provides insight on how the company has successfully accommodated working parents and the benefits of supporting its employees.

# Partner with Backup Care Providers

Backup care provides for unforeseen or sudden changes that impact childcare arrangements and entails, in short, that the employer retains a pool of available, certified, and bonded in-home childcare providers. When the unexpected occurs, like a sick child being sent home from daycare or when the partner of the employee is unexpectedly detained at their job, the employee can request a free (or reduced cost) provider from the pool to step in and allow the employee to report to work, on-time. This short-term solution could directly impact absenteeism and missed shifts of working parents. Interested employers would need to identify if there is a direct need for backup care, providers, and the financial commitment to implement the program. Again, consortia of employers can pool resources to reduce the cost/burden of retaining such a service. Two examples of backup care include Amazon and Johns Hopkins University.

# Address Equitable Return to Work Strategies

Since the COVID-19 pandemic, there has been a significant shift in the number of women and working mothers leaving the workforce. The National Women's Law Center suggested one million fewer women in the workforce in January 2022 than in February 2020.<sup>18</sup> Because of the national childcare crisis, many working mothers have not returned to work due to the lack of affordable, accessible, and reliable childcare. Because working mothers were (and still are) making less than men,<sup>19</sup> it made financial sense for mothers to remain at home as primary caregivers. Employers must reconsider equitable return-to-work strategies to reengage working mothers, including attraction bonuses and a transparent pay scale.

U.S. Chamber of Commerce Foundation, n.d NAM, June 9, 2022.

16 17 Tucker, February 1, 2022. U.S. Bureau of Labor Statistics, January 25, 2023.

### Eliminate Bias in the Hiring Process

Relatedly, because working mothers have been out of the workforce for a couple of years, if not more, they will most likely have employment gaps on their resumes. This can be an intimidating aspect for women during the application process that could ultimately lead to qualified candidates walking away from open positions. Human Resource managers, recruiters, and talent acquisitionists should review and be aware of any conscious and unconscious biases in the recruitment and hiring processes and job descriptions to support and hire working mothers.

### F Offer "Returnships" or **Professional Development Opportunities**

"Returnships" are not a new talent engagement tool but have been a highly effective return-to-work strategy, specifically for targeting women and working mothers. The University of Texas defines returnships as "short-term engagements for professionals who want to re-enter the workforce after an extended period. Unlike internship applicants, returnship candidates are usually more experienced professionals with significant work history. They may need to reacquaint themselves with changes in their field or new technology, but they have a strong working knowledge of their discipline and are usually paid for their time."<sup>20</sup> These initiatives provide returning mothers and parents who have been away from the workforce for an extended period with the chance to reacquaint themselves with their field. They also provide employers with a short-term opportunity to evaluate potential candidates and make offers of full-time, permanent employment based on first-hand reviews of performance and ability.

## 🗜 Establish Equitable Pay **Improvement Strategies**

Because working mothers often earn lower incomes than their male counterparts, many left the workforce to be primary caregivers for their children during the pandemic. To reengage with working mothers, businesses must focus on equal compensation for work of equal value. By conducting periodic pay equity audits, businesses can ensure employees of comparable experience and roles are paid the same regardless of gender or race.<sup>21</sup>

## Establish Gender Diversity **KPI** Goals

By establishing gender diversity Key Performance Indicators (KPIs), businesses can actively address critical gender gaps and equal representation across their labor force and provide opportunities for working mothers to return to the workforce. To determine what KPIs could be established to support women in the workplace, the Boston Consulting Group recommends five key metrics: Pay, Recruitment, Retention, Advancement, and Representation.<sup>22</sup> In addition to developing action steps and gauging performance, the BCG also recommends strong and active support should be driven by executive leadership of the business, not just within the Human Resources activities. Intentionally engaging women and mothers as part of corporate planning initiatives ensures that solutions for the unique needs of parents of young children are a top-of-the-agenda concern.

## **Childcare Facility-Based Recommendations**

# Address Compensation and Fiscal Stability

One opportunity to recruit and retain gualified, experienced educators is increasing early childcare caregivers' salaries and fiscal stability. However, this is challenging due to the complexity of balancing affordable childcare for working families and providing livable wages for caregivers, both while trying to operate a profitable childcare business. Compensation does, however, remain a critical flaw in the U.S. early childcare system, but it has received state and federal investments in recent years and momentum is building across the country for governments to invest in the childcare infrastructure just as it would the physical infrastructure of the state: as a cost of doing business. States and local communities nationwide should utilize salary/ wage scales for the early childhood educator workforce, remaining vigilant in their review of current wages to the rates of pay across the region. The scales are intended to provide states and cities with the knowledge to develop salary scales for the early childhood workforce that can improve the livelihood of childcare providers in concert with overall upward wage and/or inflationary pressure in the region.23

## Support Career Advancement Initiatives

Another identified barrier to childcare workers is access to career advancement opportunities. For example, The National Center on Early Childhood Development, in their report "The Early Childhood Workforce: Career Pathway Goals and Strategies for Developing, Improving, and Evaluating Higher Education Articulation Agreements"<sup>24</sup> recommends two specific strategies to support career pathway development:

- 1. Strengthen competency-based qualification requirements for all care and education professionals working with children from birth through age 8.
- 2. Develop and implement comprehensive pathways and multiyear timelines at the individual, institutional, and policy levels for transitioning to a minimum bachelor's degree qualification requirement, with specialized knowledge and competencies, for all lead educators working with children from birth through age 8.

The report recommends that caregivers and childcare facilities develop professional development goals and strategies specifically built for career growth and development within the industry. The study offers additional resources and examples to include in an implementation plan. Utilizing platforms like Early Learning Indiana<sup>25</sup> can provide solutions to providers interested in professional development opportunities.

## Improve Staff Wellness and Job Satisfaction

The Administration for Children and Families recommends childcare facilities support staff wellness<sup>26</sup> by improving the work environment and creating a healthy and safe environment for staff and children. Strategies include addressing the importance of staff psychological well-being, maximizing job satisfaction opportunities, and developing a culture of overall organizational wellness.

<sup>24</sup> National Center on Early Childhood Development, n.d.

<sup>25</sup> Early Learning Indiana. Welcome Providers, n.d.

<sup>26</sup> Office of Early Childhood Development; An Office of the Administration for Children & Families, September 13, 2022.

### Consider Expanded Services Through Childcare Service Networks

The Administration for Children and Families<sup>27</sup> recommends that childcare facilities develop local, regional, or state childcare networks to create opportunities for growth and support for childcare providers. By combining resources, services, or other integrations, childcare facilities can create a strong, unified network to expand shared resources of the existing early childhood care system. Some options can also be seen as gains via the efficiency of scale, driving down shared administrative costs for a network of providers. For example, a common payroll or HR team is one approach to reduce administrative overhead and, in some cases, better employee service.

## Explore Overnight / Multiple Shift Care Services

Although beneficial for shift parents, overnight care is a challenging solution for providers to implement. Overnight care is simply an opportunity to leave children overnight or during non-traditional working hours with a credible childcare facility. Similarly to backup care, employers would need to identify the needs of employees and the impact of working with partners and providers to establish this care option. Additionally, working with other employers to identify overnight care needs could lead to developing partnerships and overnight care programs with local providers.

27 Expanded Services, n.d.



## Current and Emerging Childcare Models

The following sections will outline the different types of current and emerging childcare models with specific case study samples. First, we will discuss the Tri-Share Model, an emerging model throughout the United States that shares paid responsibility for childcare. Next, the analysis will walk through different types of models besides the Tri-Share Model. Types of childcare models that have emerged thus far include childcare coalitions, community college and career and technical education learning models, foundation-led programs, employer-owned programs, childcare collaboratives, and state legislative models.

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## **Tri-Share Model, Michigan**

In 2019, the country's first-ever Tri-Share program was piloted in Grand Rapids, Michigan. It became a national affordable childcare model during the COVID-19 Pandemic.

The model, officially launched in 2021, challenges the traditional cost burden of childcare on parents.

Now, through MI Tri-Share,<sup>28</sup> the cost of an employee's childcare is shared equally among the employer, the employee, and the State of Michigan—a three-way split—with coordination provided regionally by an MI Tri-Share facilitator hub. The state has seen great success and has allocated over \$2.5 million to the program since 2022.

Michigan is utilizing a regional hub model, which created facilitator hubs that act as intermediaries between the State, employers, and employees. Within the pilot, the State began by creating three hubs, prioritizing managing the initiative's day-to-day operations.<sup>29</sup>

Essentially, this non-partisan program is founded on the idea that childcare is more than just a family issue – at its core, it's an economic issue. Not only does the lack of childcare impact children and parents, but it also impacts employers who are struggling to find employees. It also impacts the state's inability to recruit new businesses. Ultimately, it affects the public, who feel the effects of a population whose children did not meet the early learning benchmarks needed to thrive.

Michigan reported that of the parents who participated in the pilots, the top two industries represented were manufacturing (22%) and the early care and education industry (19%).<sup>30</sup>



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Department of Lifelong Education, Advancement, and Potential, n.d.

The January 2024 EdSurge article, "One State Rolled Out a Promising Child Care Model. Now Others Are Replicating It,"<sup>31</sup> covers the Tri-Share model and how other areas have modeled their Tri-Share programs, including Noble County, Indiana.

A brief summary of the pros and cons of the Tri-Share model is included below:

### Pros of the Tri-Share Model:

- Divides the burden equally among parents, employers, and the state, allowing each to benefit and achieve a goal that would be difficult for them individually.
- Reduces employee absenteeism.
- · Helps employees recruit and retain employees.
- Focuses on families who likely would not be able to have childcare otherwise.

### Cons of the Tri-Share Model:

- Requires much public understanding, support, and advocacy to implement.
- Does not directly increase available spots (although long-term goals include stabilizing childcare provider revenue and increasing wages for childcare providers).
- Requires providers to be state-licensed, which could exclude or create burdens for in-home providers.
- The Michigan pilot evaluation found the pilot to be racially inequitable (although this is not inherent to the model itself).



### **Tri-Share Model Variations**

Several states, including Indiana, have started creating variations of the original Tri-Share model conducted in Michigan. The following section outlines some additional versions of the Tri-Share Model, including the Northeast Indiana Early Childhood Coalition, Thrive by Five, and Smart Start Tri-Share.

#### Northeast Indiana Early Childhood Coalition, Tri-Share Plus Program, Indiana

The Northeast Indiana Early Childhood Coalition (NEIECC) introduced the Tri-Share Plus program,<sup>32</sup> a groundbreaking initiative designed to provide more affordable care for employees in Northeast Indiana. With Tri-Share Plus, employers can split the cost of care in three ways: through grant funds, the parents, and the NEIECC. This innovative approach benefits employers by reducing their financial burden and supports childcare providers in delivering high-quality services. By partnering with NEIECC and implementing Tri-Share Plus, employers can ensure that their employees can access reliable and affordable childcare options, ultimately enhancing employee satisfaction and productivity.

The NEIECC is vital in building a comprehensive resource network for childcare providers, including the Indiana Early Learning Hub. This initiative supports early childhood educators by providing them with essential tools and information to enhance their teaching practices. The Indiana Early Learning Hub is a centralized platform where providers can access resources such as lesson plans, curriculum guides, professional development opportunities, and research-based strategies. By offering this robust network, the NEIECC is strengthening the quality of early childhood education in Northeast Indiana and empowering childcare providers to create enriching learning experiences for young children.

## Thrive by Five, Tri-Share Program, Noble County, Indiana

Beginning in 2023, the Noble County Tri-Share Program pilot was launched to assist individuals with childcare barriers and challenges, specifically emphasizing the affordability of high-quality childcare. Utilizing County Economic Development Income Tax revenue, Noble County Commissioners allocated \$50,000 to fund the project. The model splits the cost of childcare in three ways: funding through CEDIT, parents, and employers who opt to participate in the program.<sup>33</sup>

#### Smart Start, Tri-Share Program, North Carolina

Similar to the original model produced in Michigan, North Carolina has also developed a Tri-Share Program to assist with the childcare crisis. The North Carolina Partnership for Children (NCPC) is partnering with the Division of Child Development and Early Education to launch the project. North Carolina representatives allocated \$900,000 to be divided among three facilitation hubs. Families that qualify for this pilot include those who are employed by a participating business and have a household income between 185% and 300% of the federal poverty level. In addition, the eligible participants must otherwise be ineligible for other subsidized care.<sup>34</sup>

32 NEIECC, June 5, 2024.

<sup>33</sup> Thrive by Five, n.d. 34 Smart Start Februa

Smart Start, February 1, 2024

### **Childcare Coalitions**

Childcare coalitions are groups of people and/or organizations representing similar ideas that create a formal body or organization to address specific issues related to the childcare crisis. Below, this analysis will discuss examples of childcare coalitions, including the Black Hawk County Child Care, Childcare Coalition of Alaska, Baltimore City Child Care Coalition, and Oregon Childcare Coalition.

#### Black Hawk County Child Care, Iowa

Launching in 2017, the Black Hawk County Child Care Coalition was established by the partnership of CCR&R of Northeast Iowa, the Community Foundation of Northeast Iowa, and other local organizations. Through this model, the originators of the coalition engaged the community and developed partnerships with infrastructure developers, hospitals, and private philanthropists to spur investment. Community support has strongly favored the coalition's efforts, and the alliance has seen significant investment and financial support.<sup>35</sup>

#### The Childcare Coalition of Alaska

Represented by a statewide group of civic organizations, childcare providers, parents, and supporters, the Alaska Child Care Coalition's goal is that "everyone can find highquality child care that they can afford in the setting of their choice so that all children will be ready for kindergarten."<sup>36</sup> Although their current efforts focus on advocacy, the Alaska Child Care Coalition is dedicated to the goal of promoting well-compensated and trained childcare providers, promoting equity for families and providers, and developing a family-friendly culture.

#### Baltimore City Child Care Coalition, Maryland

The Baltimore City Child Care Coalition is a non-profit 501(c)(3) organization whose main goal is to develop ongoing partnerships with the Maryland State Department of Education and Legislators to work towards solutions to the childcare crisis. The coalition meets monthly to continue its vision and provides free training on childcare topics for participants.

#### **Oregon Childcare Coalition**

According to its website, the Oregon Childcare Coalition "is a group of parents, providers, and professionals passionate about increasing access to childcare, daycare, and preschool in Marion County."<sup>37</sup> The coalition provides childcare sign-up, childcare center information, information on becoming a provider, family resources, and childcare data, among many other resources. It aims to ensure that all families have access to quality, affordable childcare.

Ingram, June 2024.
 Child Care Coalition of Alaska, n.d.

37 Oregon Childcare Coalition, n.d.





### Community College and Career & Technical Education (CTE) Learning Models

Community colleges and universities nationwide also provide solutions to the childcare crisis by developing university/ college-owned childcare options. Typically, these options are available to students and staff and offer subsidized childcare costs. Below, we will discuss a few samples of different community college and career & technical education learning models in Fort Wayne, Indiana, Indianapolis, Indiana, and a nationwide model.

#### Ivy Tech Fort Wayne Childcare Options for Students, Fort Wayne, Indiana

In June 2023, the Ivy Tech Community College, Fort Wayne location, partnered with the YMCA of Greater Fort Wayne to bring the YMCA Childwatch Site, an on-campus childcare facility for parents enrolled at the college. This initiative was spurred by a 2022 student survey, which found that 95% of students who responded said there was a need for childcare options on campus.<sup>38</sup>

#### Butler University Early Childhood Educator Certificate Program, Indianapolis, Indiana

In the fall of 2023, Butler University of Indianapolis launched the Early Childhood Educator Certificate Program.<sup>39</sup> This fast-track program aims to address the nationwide crisis in early childhood education, particularly in Indiana, where a significant percentage of children and families lack access to high-quality childcare services. The program consists of 12 courses, each four weeks, totaling 960 hours, and can be completed in approximately 15 months.

#### Kids on Campus Initiative, Nationwide

Community colleges nationwide can provide relief for working parents pursuing higher education by partnering with Head Start Programs. In February 2024, the Association of Community College Trustees (ACCT) and the National Head Start Association (NHSA) launched the Kids on Campus Initiative<sup>40</sup> to bring more Head Start programs to community college campuses. The program aims to connect community colleges with unused space and Head Start programs. For at least the next five years, through the Kids on Campus initiative, we will provide guidance and technical assistance to the campuses and programs as they navigate negotiations and renovations, turning an initial introduction into a thriving partnership.

In their March 2024 NPR article, "The new kids on campus? Toddlers, courtesy of Head Start", the authors further describe the benefits of the partnership between community colleges and Head Start programs and how the program supports the pipeline of future childcare workers.<sup>41</sup>

Wane.com, May 18, 2023.Butler University, n.d.

ACCT, February 6, 2024. Nadworpy, March 11, 2024

### Foundation-led Programs

The Council on Foundations defines a community foundation as a grantmaking public charity dedicated to improving the quality of life of individuals in geographic areas.<sup>42</sup> In many communities, community foundations provide crucial funding for infrastructure development, programs, resources, and events. Displayed below are different community-led childcare models in Wabash Indiana, Kosciusko County, Indiana, Rapid City, South Dakota, and Ashland, Ohio.

#### Community Foundation of Wabash County, Discounted Child Care Program, Indiana

The Community Foundation of Wabash County was awarded \$750,000 from the State of Indiana's Employer-Sponsored Child Care Fund.<sup>43</sup> For up to one year, licensed childcare centers, ministries, and homes in Wabash County will offer discounts on fees to families employed by a Grow Wabash County or Manchester Alive member. Enrollment for the program began in April 2024.

#### Kosciusko Community Foundation, Childcare Options for School Staff, Warsaw, Indiana

In February of 2024, Warsaw Community Schools in Kosciusko County, Indiana, was awarded \$303,000 by the Kosciusko County Community Foundation in partnership with LaunchPad.<sup>44</sup> This investment provides onsite care for Warsaw Community Schools staff to offer training resources for early learning professionals and build childcare programs in the County. This includes a Child Development Associate (CDA) training program for Warsaw Area Career Center students that allows them to receive CDA through Ivy Tech and start a pathway to careers in childcare.

#### John T. Vucurevich Foundation, Rapid City, South Dakota

The John T. Vucurevich Foundation, a private foundation located in Rapid City, has developed its own version of the Tri-Share Model. The foundation has invested nearly half a million dollars in developing a pilot Tri-Share model in Rapid City, South Dakota. The model is in its early stages but proposes splitting childcare costs between parents, employers, and a community fund. The pilot focuses on developing additional business partnerships and continued advocacy for solutions to address childcare challenges.<sup>45</sup>

#### Women's Fund Childcare Initiative, Ashland, Ohio

The Women's Fund Childcare Initiative is a development led by the Women's Fund Steering Committee of Ashland County Community Foundation. Its goal is to expand access to quality, affordable childcare in Ashland County by developing a childcare center. Their partnership has also expanded to include a non-profit 501(c)(3) organization, Foundations Community Childcare. This entity will oversee and operate the funded childcare center. The funding model incorporates various assistance measures, including income-based and employer-supported tuition assistance, grant funding, and endowment. <sup>46</sup>

<sup>42</sup> Council on Foundations, n.d.

<sup>43</sup> WFFT, April 2, 2024.

<sup>44</sup> Polston, February 29, 2024

## **Employer-Owned Programs**

The employer-owned programs displayed below outline the current strategies some employers are utilizing to provide childcare to their employees. These models are owned by a business and are often exclusively for the children of employees of the business. In rural areas, on-site employer-owned childcare is essential in combating distance and capacity challenges. Throughout this section, we analyze three different types of employer-owned programs operating in rural America.

#### Appleseed Childhood Education and Franciscan Health, Rensselaer, Indiana

In the Fall of 2022, in Rensselaer, Indiana, a partnership between Appleseed Childhood Education and Franciscan Health created a solution that addressed two challenges of the rural community: access to quality early childhood education and recruiting and retaining qualified healthcare professionals at a local hospital while supporting the town's ability to grow by attracting young families. In 2023, the partnership established a new, \$1 million, 7,500-squarefoot early childhood education (ECE) center that is the first licensed ECE option for families in the community since 2018.<sup>47</sup>

#### Toyota North America, Georgetown, Kentucky and Princeton, Indiana

Toyota, a significant employer in North America, has been providing an innovative employer-owned solution to childcare for its employees. Partnering with Bright Horizons, the company has provided onsite, 24-hour daycare for employees' children since 1993 in Kentucky and 2003 in Indiana. The care facilities operate during standard Toyota operating hours; however, the facilities are also open overnight and on Saturdays for parents.<sup>48</sup> This model could potentially assist with talent retention and talent attraction as part of an employment package.

#### Tyson Tykes, Humboldt, Tennessee

In both 2021 and 2022, Tyson Foods started emphasizing the importance of childcare relative to workforce throughout their business. Partnering with KinderCare, Tyson Foods began constructing an early childhood learning center that will provide access and affordable childcare to Tyson Foods employees. The pilot project represents awareness of the importance of childcare. The center will support approximately 100 children and have 18 employees.<sup>49</sup>

	47	IFF,	October	26,	2024
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48 NAM, January 9, 2022.
49 Tyson Foods, April 20, 2022.

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### **Childcare Collaboratives**

Childcare collaboratives are another model that has been formed. Collaboratives are groups of individuals with similar ideas who wish to advocate to a larger audience on critical issues. In addition, collaboratives advocate for childcare planning, facility development, legislative action, and the development of funding mechanisms. Below are three examples of different types of childcare collaboratives from South Dakota, South Carolina, and California.

## Sioux Falls Childcare Collaborative, South Dakota

The Sioux Falls Childcare Collaborative is a partnership with Sioux Falls Thrive with the goal of improving student success. The primary objectives of the collaborative include "develop a strategy for funding that combines two crucial needs: affordable tuition for families, and a salary plan that rewards and retains staff, build a better understanding of the childcare industry among government and business leaders, provide a plan for improved staffing levels and long-term staff retention, create a mechanism for engaging parents and a larger community in the childcare discussion."<sup>50</sup>

50 Sioux Falls Thrive, n.d.



## South Carolina Child Care Inclusion Collaborative

Funded by the Department of Social Services Division of Early Care and Education, the South Carolina Child Care Inclusion Collaborative is a program that provides services to childcare providers at no cost. Emphasizing training, the collaborative's goal is to provide "individualized training and technical assistance for childcare providers to support the inclusion of children with disabilities/developmental delays in childcare programs."<sup>51</sup> In addition, the collaborative provides various online and printable resources including an Online Resource Guide, a searchable database on early learning.<sup>52</sup>

## The Quality Child Care Collaborative, Sacramento, California

The Quality Child Care Collaborative in Sacramento, California, was developed to create partnerships with caregivers and provide support. The collaborative identifies relationship building, engaging with parents, professional growth activities, onsite training and consultation, strengthening leadership, reflective practice, health & safety practices, measuring program quality, supporting children's learning, positive discipline and guidance, inclusion for all children and families, and culturally responsive caregiving as pivotal components to quality childcare.<sup>53</sup>

South Carolina Child Care Inclusion Initiative. About, n.d. South Carolina Child Care Inclusion Initiative. Resources, n.d. The Quality Child Care Collaborative, n.d.

<sup>51</sup> 52 53

### State Legislative Models

The following represent examples of different types of legislation that have affected and impacted childcare across the country. Although many of the following examples are circumstantial and most often rely on their natural amenities and resources, these samples can spur innovative discussions about solutions related to childcare.

# Universal Early Child Care, New Mexico

In November 2022, New Mexico became the first state to guarantee a right to early childhood education.<sup>54</sup> A portion of the state's Land Grant Permanent Fund, nearly \$150 million annually, will be allocated to early childhood programs. Voters approved the allocation of funding and amended the state constitution to include the right to education for children ages zero to five.

#### 2024 House Bill 561, Kentucky

House Bill 561, "AN ACT relating to childcare," introduces a program to create "Certified Child Care Community Designation." This designation would foster support for local governments to identify zoning barriers and amend regulations to support existing or new childcare facilities for future expansions. The Certified Child Care Community Designation would cultivate opportunities for local elected officials, childcare businesses, major employers, and other key community stakeholders, like the Lincoln Trail Area Development District, to address pressing childcare needs in Kentucky. House Bill 561 passed out of the Senate on March 21<sup>st</sup>.

54 Early Learning Nation, November 9, 2022.

#### The 2023 Child Care Bill (Act 76), Vermont

In June 2023, the Vermont Legislature passed the 2023 Child Care Bill<sup>55</sup>, which includes long-term, sustainable public funding to support childcare challenges, including accessible, affordable, and high-quality childcare. This annual \$125 million investment expands childcare financial assistance to over 7,000 families, increases funding to support childcare staffing and capacity at the local level, and promotes minimum pay standards for early childhood education.

Let's Grow Kids. n.d



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