# Child Care and Early Education in North Dakota



In North Dakota, federal and state early learning opportunities serve more than 8,077 children and families,<sup>1</sup> or 13% of children birth through age 5.<sup>2</sup>

High-quality early care and education (ECE) is proven to dramatically improve a child's opportunities for a better future while offering parents greater job stability and overall economic security.

#### **The Economic Impact**

Access to affordable, high-quality child care can increase parental labor force participation and family economic stability. However, widespread problems finding and paying for child care adversely affect both state and national economies. As a direct result of child care issues, the national economy loses \$122 billion annually in the form of lost earnings, productivity, and revenue.<sup>7</sup> In North Dakota: The estimated annual economic impact of the infanttoddler child care crisis: \$354M.<sup>8</sup>

#### Families Lack Access to High-Quality ECE Options in North Dakota

The high cost and limited supply of quality ECE have created serious challenges for many families.

### Unmet Need 64,096 Children Birth Through Age Five<sup>3</sup> 12% of Children Birth Through Age Five Living in Poverty<sup>4</sup> 72% of Children Birth Through Age Five With All Available Parents in the Workforce<sup>5</sup> 13% of Children Birth Through Age Five Served By Federal- and State-Funded Early Learning Opportunities<sup>6</sup> Note: 1,2,6: These figures include beneficiaries of Head Start, Early Head Start,

Note: 1,2,6: These figures include beneficiaries of Head Start, Early Head Start, CCDF, MIECHV, state-funded Pre-K, and IDEA Parts B, Sec. 619 and C. In some cases, children and families are served by more than one program.

There are several early learning programs that provide working families with access to high-quality, affordable ECE opportunities, but currently <u>the demand for care far outweighs the supply</u>, <u>and funding constraints leave</u> <u>many eligible children unserved</u>. Each of these programs has its own eligibility requirements, purpose, and service delivery model. Together they form a mixed-delivery system that supports parental choice and aims to meet children's individual needs.

#### Child Care & Development Block Grant (CCDBG)



#### Maternal, Infant, and Early Childhood Home Visiting (MIECHV)

I	<b>161</b> Families Served¹⁵	Learn more about MIECHV in North Dakota <u>here</u> .	
0	State-Funded Pre-K 371 Children Enrolled <sup>16</sup>	2%	of three- and four-year- old children attend public ECE <sup>17</sup>
	IDEA Part C	IDEA Part	B, Sec. 619
•	<b>IDEA Part C</b> <b>1,616</b> Children Served <sup>18</sup>	<b>IDEA Part</b> <b>1,644</b> Children Ser	
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#### **Early Care and Education (ECE)** in North Dakota Snapshot

#### Federal and State ECE Funding in North Dakota

Federal funding is foundational to providing ECE.



#### Accessibility

Many families struggle to find the care they need.

- 24% of North Dakota residents live in a "child care desert."20
- Hispanics/Latinos and rural families are disproportionately represented among those who live in a "child care desert."21
- 5% of children under age 3 receive early intervention services.22

## Affordabilitv

The cost of ECE is too expensive for many families.

- The annual price of center-based infant care is \$9,984, and home-based infant care is \$8,240.23
- Families receiving a CCDBG subsidy pay between \$13 and **\$272** per month for one child in care.<sup>24</sup>
- A two-parent household spends 8% of their income on child care, while HHS defines spending over 7% to be a burden.25

#### **ECE Workforce**

Early childhood educators have some of the lowest paying jobs in the United States, earning povertylevel wages.26

• **\$28,590** child care worker annual salary (\$13.74 per hour).27



#### **Program Quality**

#### Program quality varies substantially across and within states.

- Met 5/10 of NIEER's Quality Standards Benchmarks for state-funded pre-K programs. Only 5 states met all 10 benchmarks in 2022.28
- 32% of children received developmental screenings at 9, 18, and 30 months in the past year.<sup>29</sup>

For full sourcing information, visit here.



- \$3.6M IDEA Part C<sup>33</sup>
- \$1.3M IDEA Part B, Sec. 619<sup>34</sup>
- \$6.8M PDG B-5<sup>36</sup>
- \$2.3M State-Funded Pre-K<sup>37</sup>
- \$4.3M CCDBG State Match<sup>38</sup>
  - \$2M PDG B-5 State Match<sup>39</sup>

North Dakota received an additional \$101M through COVID-19 relief.40

#### **Spotlight: ECE Successes in North Dakota**

#### **COVID-19 Relief:**

Throughout the pandemic, there was strong bipartisan support for federal relief funding to keep the child care sector afloat.

- As a result, **1,015** child care programs in North Dakota received support, impacting up to **35,800** children.41
- These funds also allowed states to demonstrate what would be possible when equipped with additional resources. Funds have been used to support and stabilize the workforce, including: increasing compensation; strengthening employee benefits; assisting with rent and utilities; and providing scholarships, professional development, and training.\*

#### **Preschool Development Grant Birth Through Five** (PDG B-5):

PDG B-5 is a competitive federal grant designed to improve states' early childhood systems. In their 2023 renewal grant application, among other uses, North Dakota noted that they would use funding to:

- Introduce an online Child Care Licensing Data System to ease the licensing application and renewal process.
- Develop tools and resources to support new providers, and offer standardized state-supported training and technical assistance.\*\*

\*North Dakota Health and Human Services | \*\*BUILD