



**GOVERNOR'S OFFICE OF WORKFORCE INNOVATION**

**The Governor's Workforce Development  
Board  
Childcare Working Group**

**Childcare Policy Report**

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# Timeline

**2022**

**Aug 10 GWDB Meeting**

**Presentation on Child Care's Impact on Workforce Development**

**DWSS + Children's Cabinet**

**Oct 12 GWDB Meeting**

**Presentation on Child Care's Impact on Workforce Development**

**DWSS + Children's Cabinet**

**Dec 7 GWDB Meeting**

**Voted to establish Childcare Working Group**

**Dec 15 GOWINN conducts Business Survey on Childcare**

**2023**

**Jan 6 Childcare Working Group Meeting**

**Susan Brager elected Chair**

**Jan 15 Business Survey on Childcare Closed**

**Jan 20 Childcare Working Group Meeting**

**KGHM Robinson Mine**

**Brookings Mountain West for Survey Analysis**

**SafeNest**

**Feb 3 Childcare Working Group Meeting**

**Boys and Girls Club**

**Purdue Marion & Associates on behalf of Children's Cabinet**

**Presentation on & (pending) Approval of Report**

**Feb 15 GWDB Meeting**

**Presentation on & (pending) Approval of Report**

**Engagement with policymakers**

The Working Group's efforts resulted in several key findings and policy recommendations.

Included in this report you will find the:

- Current State of Childcare in Nevada
- National Childcare Research
- Best Practices in Nevada
  - Rural Nevada
  - Southern Nevada
  - Northern Nevada
- Policy Recommendations for Consideration
  - Infrastructure
  - Workforce
  - Audit

# Current State of Childcare in Nevada

## Supply and Demand Issues: Access and Cost

- Demand is high with over 65% of Nevada children in households where both parents work;
- Nevada is a childcare desert;
- 74% of Nevada children ages 0-5 do not have access to licensed childcare;
- Every Nevada county is a childcare desert, rural and urban;
- Nevada childcare is more expensive than college tuition;
- The younger the child, the more expensive and harder to find childcare.

# Current State of Childcare in Nevada

## Existing Models + Funding

Cost by NV County

CARES and ARPA Funding in NV

Comparable States in Region

### Nevada COVID-19 Child Care Response, Recovery & Reimagining the System

*Improving Systems and Supporting Providers to Achieve High Quality, Affordability and Equitable Accessibility for Families*



#### Provider Supports

- Operational Supports
- Workforce Engagement & Retention
- Improved Business Practices



#### Family Supports

- Cost Reduction
- Access to Quality Care
- Equitable Option



#### System Improvement

- Data Management & Automation
- Policy Alignment
- Equitable & Sustainable Support

CARES = Coronavirus Aid, Relief, and Economic Security

CRRSA = Coronavirus Response and Relief Supplemental Appropriations

ARP = American Rescue Plan



Department of Health & Human Services

Reimagine

Recovery

Response

#### CARES Act – May\* 2020 - \$33M

- PPE Supplies
- Paying on enrollment during closures
- Provider emergency operation grants

#### CRRSA – April\* 2021 - \$93M

- Paying on Enrollment vs. attendance
- Expanded eligibility for front line workers
- Provider operational grants – reopen & sustain capacity

#### ARP – August\* 2021 - \$365M

- Provider operational grants – sustain & improve
- Family financial support to recover & return to work
- Workforce retention and expansion
- Business supports and automation
- Long-term sustainability of early learning programs
- Equitable access to quality providers that meet needs of all families

\* Month funding authorized by Nevada Legislature not federal enactment

# Current State of Childcare in Nevada

## **GOWINN's Childcare Survey to the Business Community**

The convenience sample survey was open from December 15, 2022 through January 15, 2023. 511 businesses responded providing quantitative research to better understand the relationship between childcare and labor force.

### Highlights:

- Geographic distribution of survey respondents is a relatively accurate portrayal of the population distribution within the State.
- Respondents shared how greater access to childcare could improve their business.
  - 94.5% believe access to childcare would improve their workforce retention;
  - 75.5 % believe access would provide better business stability;
  - 67.8 % believe their business would experience more productivity
- Childcare would also improve growth, profit, and workforce retention for these businesses, as indicated from these results.
- A majority are interested in providing childcare for their employees, and there is interest in exploring the options with 45F.
  - 88.9 % are not familiar with the Employer-Provided Child Tax Credit, 45F;
  - Only 1.8 percent of respondents use 45F.

# National Childcare Research

The U.S. Chamber of Commerce recognizes the role that business has to play in childcare reform and offers four solutions that employers can offer in the short term to alleviate childcare concerns for their employees:

- Research existing childcare options in the community and provide a childcare directory for employees.
- Contract with a third party company to assist employees in connecting with childcare providers.
- Offer a Dependent Care Flexible Spending Account (DCFSA).
- Educate employees about their tax options.

12 million children under the age of 5 need access to childcare everyday

U.S. Department of the Treasury coins structural issues to the childcare industry as market failures. Examples of market failures include:

- 1) low wages to childcare workers despite the labor-intensive job requirements of caring for small children;
- 2) for-profit childcare facilities operate on razor-thin profit margins, usually less than 1%
- 3) inequities in childcare supply for low-income or nonwhite children lead to poor families being underserved

# Best Practices in Nevada

## Rural Nevada

KHGM

On-site childcare

Public-Private Partnerships

Boys and Girls Clubs

## Southern Nevada

Bally's

MGM

Stations

Imagination Station

## Northern Nevada

Patagonia



# Policy Recommendations for Consideration

## Infrastructure

- Use Existing Vacant or Underutilized Public Space

  - Public Libraries

  - Public Recreational Centers

  - State Government Buildings

- Offer Tax Incentive to Utilize Underutilized For-Profit Space

  - The Employer-Provided Child Tax Credit 45F

  - Childcare Facility Property Tax Abatements

  - Home-Care

  - Expanding Partnerships with Non-Profit Organizations

## Workforce

- Increased Wages

- Career Pathways

- Licensure and Regulatory Barriers

## Audit

- Transparency and Accountability

- Performance Metrics

- Safety Measures in response to OIG Report

# Questions & Answers

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