

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

<u>2023</u>

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 & Approval of Report

Feb 15 GWDB Meeting

Presentation & Approval of Report

Apr 19 GWDB Meeting

Presentation from Workforce Solutions Capital Area

Jun 14 GWDB Meeting

Presentation from DWSS on Federal Childcare Funding

Report Contents:

- Current State of Childcare in Nevada
- National Childcare Research
- Best Practices in Nevada
- Policy Recommendations for Consideration

CHILDCARE POLICY REPORT

Governor's Workforce Development Board Childcare Working Group

Approved by Childcare Working Group on February 3, 2023

Approved by the Governor's Workforce Development Board on February 15, 2023

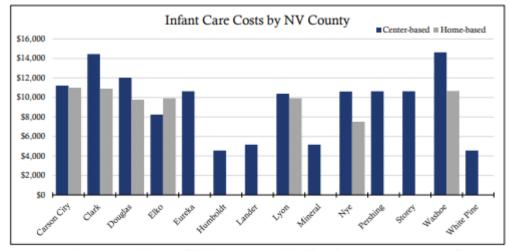
Prepared by
The Governor's Office of Workforce Innovation



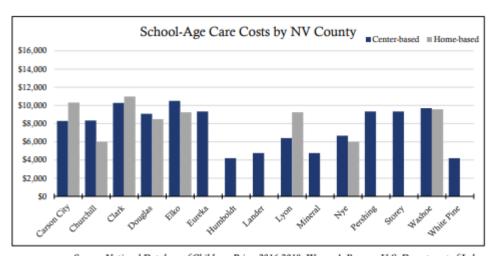
Current State of Childcare in Nevada

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.



Source: National Database of Childcare Prices 2016-2018, Women's Bureau, U.S. Department of Labor



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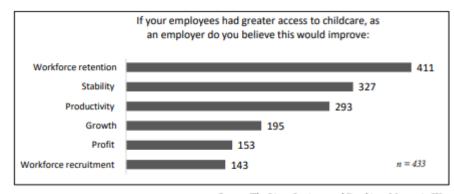
Current State of Childcare in Nevada

GOWINN's Childcare Survey to the Business Community

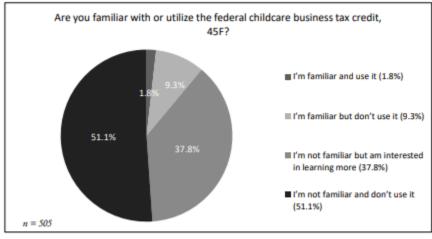
The convenience sample survey was open from December 15, 2022 through January 15, 2023. 511 businesses responded providing quantitative research to better understand the relationship between childcare and labor force.

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.



Source: The Lincy Institute and Brookings Mountain West



Source: The Lincy Institute and Brookings Mountain West

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



Source: Rendering provided by Amanda Hilton

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



Source: Nevada State Library, Archives, and Public Records



Source: GAO, Report to Congressional Committees on the Employer Provided Childcare Credit

Questions & Answers

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