

Uncertainty Ahead Means Instability Now

Why Families, Children, Educators, Businesses, and States Need Congress to Fund Child Care

December 2022

NEBRASKA



The problems are clear: Families can't find or afford child care because compensation is too low to attract and retain early childhood educators. As federal relief dollars that have saved the sector from complete collapse begin to dry up, the stability those dollars brought to programs will disappear with the funding.

The solutions are clear: The public benefits from public investments in child care and early learning. Congress needs to build on the successes of child care funding to prioritize additional, sustainable investments that ensure programs and educators can meet the needs of families, children, and businesses, and states can continue to build towards an early childhood education system that works.

In October 2022, more than 12,000 early childhood educators from all states and settings—including faith-based programs, family child care homes, Head Starts, and child care centers—responded to a new ECE field survey from the National Association for the Education of Young Children (NAEYC). The results of this survey continue to show that relief helped, but uncertainty about the future is impacting the present.

Here are some reflections from survey respondents in Nebraska:

"I'm worried about making ends meet with the income coming in. The stabilization grant helped me tremendously with paying for groceries, utilities, and insurance. With the cost of everything going up, I will have to make sure I can get things paid without the help."—Family child care owner/operator "Programs need regular funding in order to pay staff a wage that keeps them in the field. Every. Single. Childcare. Program is having a staffing shortage right now and they'd have to charge families a ton more in order to pay a feasible wage that wouldn't have staff leaving. Programs are suffering in quality now because the staff have become a revolving door. The end of the stabilization grants means programs won't be able to offer bonuses or higher pay to staff and we will see an even worse child care teacher shortage than we already currently have."—Family child care owner/operator "Child care workers are leaving the profession due to low wages, being burned out, and working longer hours due to staff shortages. People are taking jobs with higher wages. We used the stabilization grant to increase existing staff wages and to raise the minimum hourly rate for our part-time workers. Without funding to increase wages, we are not going to be able to keep the staff we have, and families are having a hard time finding a program with openings. In order to increase wages, you have to raise tuition costs and families are not able to afford increases. This is a child care crisis and we need to find a solution."—Program Director/Administrator "The stabilization grant allowed us to give much needed financial incentives to the staff. There is no way to do this without those funds. I believe these funds helped keep teachers in the field. Child care is in crisis with a severe teacher shortage and little to no incentives to stay in the field. We used to compete with fast food for employees—now we are far behind them in the wages offered per hour. Child care needs a complete overhaul."—Program Director/Administrator

Here's a brief summary of the survey data from Nebraska:

	NEBRASKA	NATIONAL
Sample Size	114	12,897
Child Care Center	36.0%	47.7%
Family Child Care	41.2 %	18.6%
STABILIZATION GRANTS ¹		
Child care directors/administrators who report receiving grants	75.0%	73.9%
Family child care owner/operators who report receiving grants	95.1%	85.7%
Total reporting that their program would have closed without grants	37.5%	34.0%
Total reporting that they believe their last payment will be in 2023	52.1 %	61.0%
Total reporting that they do not know when their last payment will be	35.6%	27.0%
When stabilization grants end:		
Child care center directors saying their programs will have to raise tuition	54.2 %	42.8%
Total reporting their programs will have to cut wages or be unable to sustain wage/salary increases	18.8%	23.0%
STAFFING AND SUPPLY		
Current Challenges		
Child care center directors reporting they are serving fewer children than they would like to serve	50.0%	46.4%
Most common reason they are under-enrolled?	Not enough staff	Not enough staff
Total reporting that their program is currently experiencing a staffing shortage	57.0%	67.0%
Among respondents in programs with a staffing shortage:		
> Reporting they are serving fewer children	56. 9%	45.4%
> Reporting a longer waitlist	52. 3%	37.4%

1. For more state-level information about the receipt of stability grants, please see ACF's state profiles. According to the profile for Nebraska, providers in 86% of Nebraska's counties received funds as of 6/30/22. <u>https://www.acf.hhs.gov/sites/default/files/documents/occ/Nebraska_ARP_Child_Care_Stabilization_Fact_Sheet.pdf</u>



	NEBRASKA	NATIONAL
Future Challenges		
Total indicating "yes" or "maybe" to considering leaving their job or closing their family child care home	28.1%	29.2%
> Family child care providers considering leaving	26.8%	36.4%
Number one thing needed to stay	Competitive wages	Competitive wages
ECE WORKFORCE WELL-BEING		
Total respondents experiencing financial insecurity in the last year	32.5%	29.5%
Total respondents who received more money from a wage increase or supplement in the last year	50.9%	49.4 %
Total indicating that burnout/exhaustion are "greatly" or "to some extent" contributing to problems retaining teachers	91.2 %	78.0%

Methodology This online survey, created and conducted by NAEYC using SurveyMonkey, represents the responses of a non-randomized sample of 13,037 individuals working in early childhood education settings who completed the survey in English or Spanish between October 5-23, 2022. To generate a more representative national sample from the pool of responses, a probability proportional to size (PPS) methodology was used to pull samples by state that are benchmarked to the share of the total early childhood workforce by state. These shares were calculated by the authors from the Bureau of Labor Statistics May 2021 Occupational Employment and Wage Statistics (Codes: 11-9031, 25-2011, 25-2051, 39-9011). The final sample size for the national-level analysis is 12,897. In contrast, for the state-level analysis, the entire sample of responses from each state were used. We are unable to supply detailed analysis in states for which there are very small sample sizes across sub-groups. Respondents were asked to select any setting that applied to them. They could choose from the following list: child care center, family child care home, non-profit, for-profit, school-based, Head Start, faith-based, multi-site. For this brief, only the percentages for child care center and family child care are reported.

The survey links were shared widely through email newsletters, listservs, social media, and via partnerships, and 10 randomly selected respondents were provided with a \$100 gift card for participation in a sweepstakes. Given the constantly changing and widely varying nature of the crisis, the broad analysis from this survey is intended to present the experiences of the respondents, as captured in the moment that they take the survey, with extrapolations for the experiences of the field and industry at large. Additional information available at www.naeyc.org/pandemic-surveys