

# Early Child Care for Working Parents

*Investing in Care, Investing in Growth: A Business-Led Approach to Child Care Solutions*

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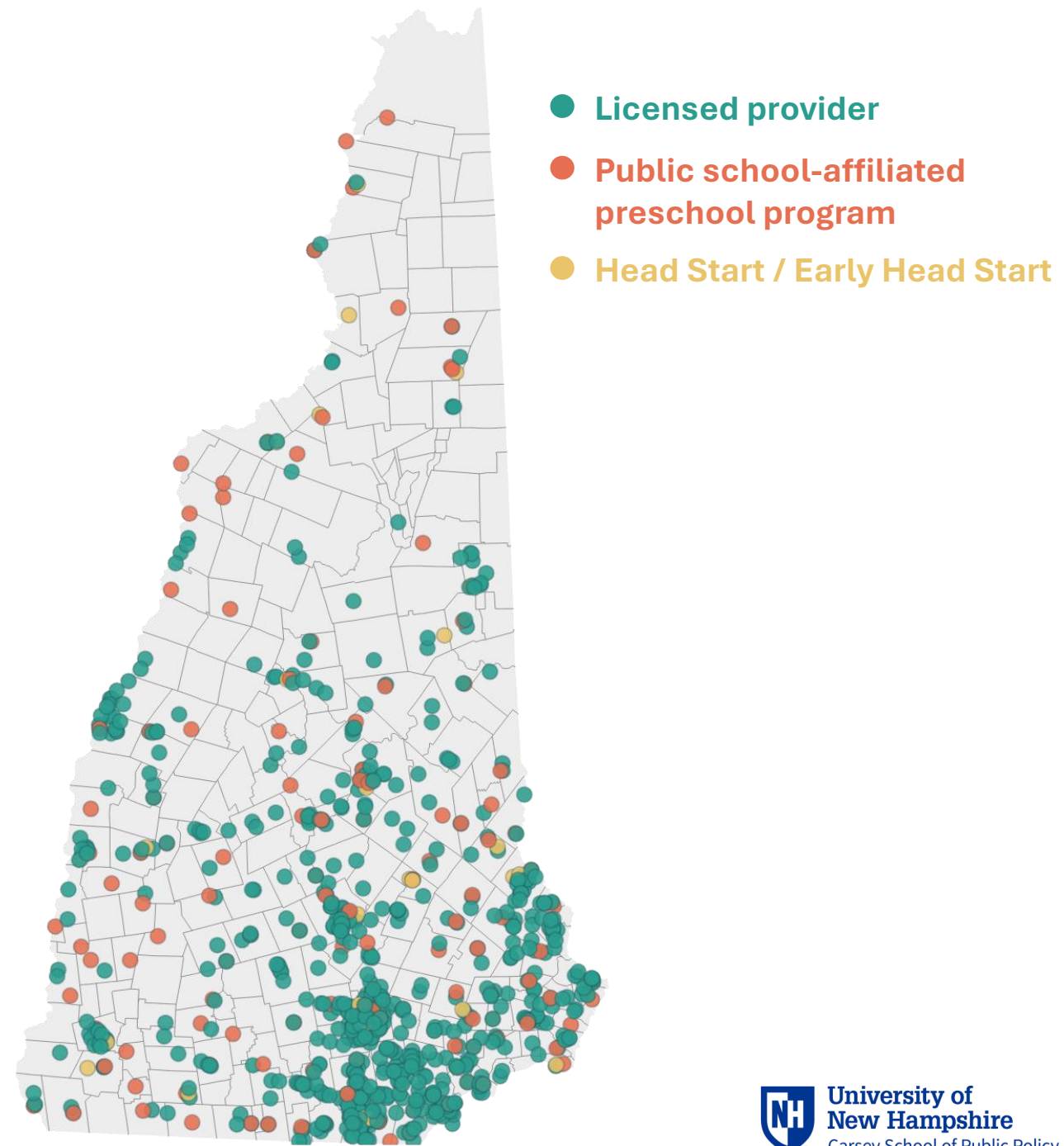
# Overview

- **State of ECE in NH**
  - Supply is underdeveloped.
  - ECE costs families too much & pays educators too little.
  - The business model is not financially feasible.
- **The Business Case for ECE**
  - Parents need ECE in order to work.
  - An inadequate ECE landscape costs NH money.
- **Opportunities to Support ECE**
  - There are many!

State of ECE in NH

New Hampshire has about **60,000 children** under age 5 and only about **40,000 slots** in its early care and education (ECE) ecosystem.

The relative availability of slots and slot types is uneven statewide.



# PRICE FOR TWO CHILDREN UNDER 5 IN CENTER-BASED CARE CONSISTENTLY EXPENSIVE

## COSTS OF BASIC LIVING EXPENSES FOR A FAMILY OF FOUR IN NEW HAMPSHIRE

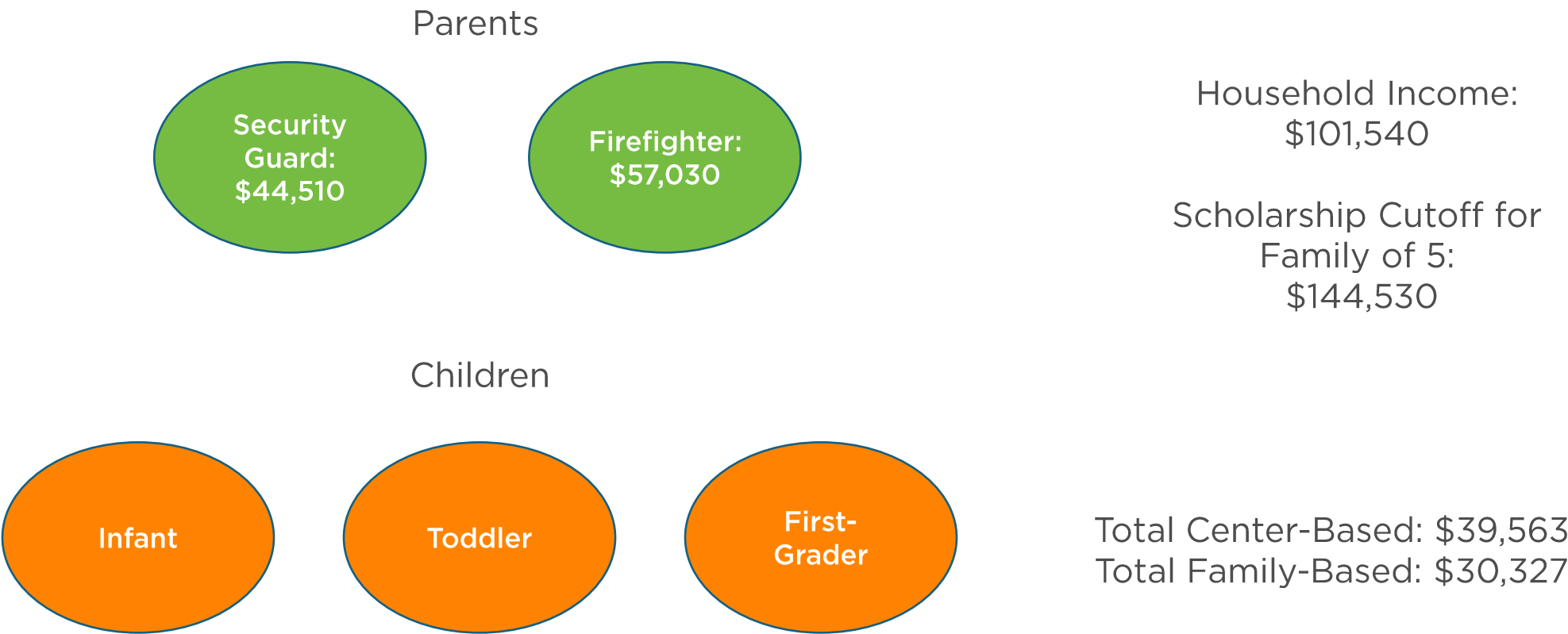
*Basic Living Costs in 2005, 2015, and 2024 Adjusted to 2024 Dollars Using the Northeast Consumer Price Index for All Urban Consumers*

Income & Living Expenses	2005	2015	2024
Median Household Income	\$88,749	\$90,434	\$99,782
Mortgage Payment for a New Median-Priced Home	\$36,285	\$22,987	\$47,249
Child Care for Two Children Under 5	\$24,960	\$27,357	\$29,082
Food	\$11,581	\$12,259	\$11,877
Expenditures for Health Care	\$6,451	\$9,547	\$10,850
Gas	\$4,477	\$2,842	\$2,630
Remaining Funds for Other Expenses	\$4,994	\$15,443	-\$1,906

Note: Table depicts several major household expenses, but is not intended to be a comprehensive budget. For data sources, methodology and supporting research, see NHFPI's October 2025 Report, *Affordability Eroded: Changes to the Cost of Living in New Hampshire*.

# CHILD CARE PRICE: 2024 FAMILY EXAMPLE

ELIGIBLE FOR SCHOLARSHIP: PAYS \$7,108 FOR COST SHARE (7 PERCENT OF INCOME) + COPAYMENTS



Tuition from families is insufficient revenue.

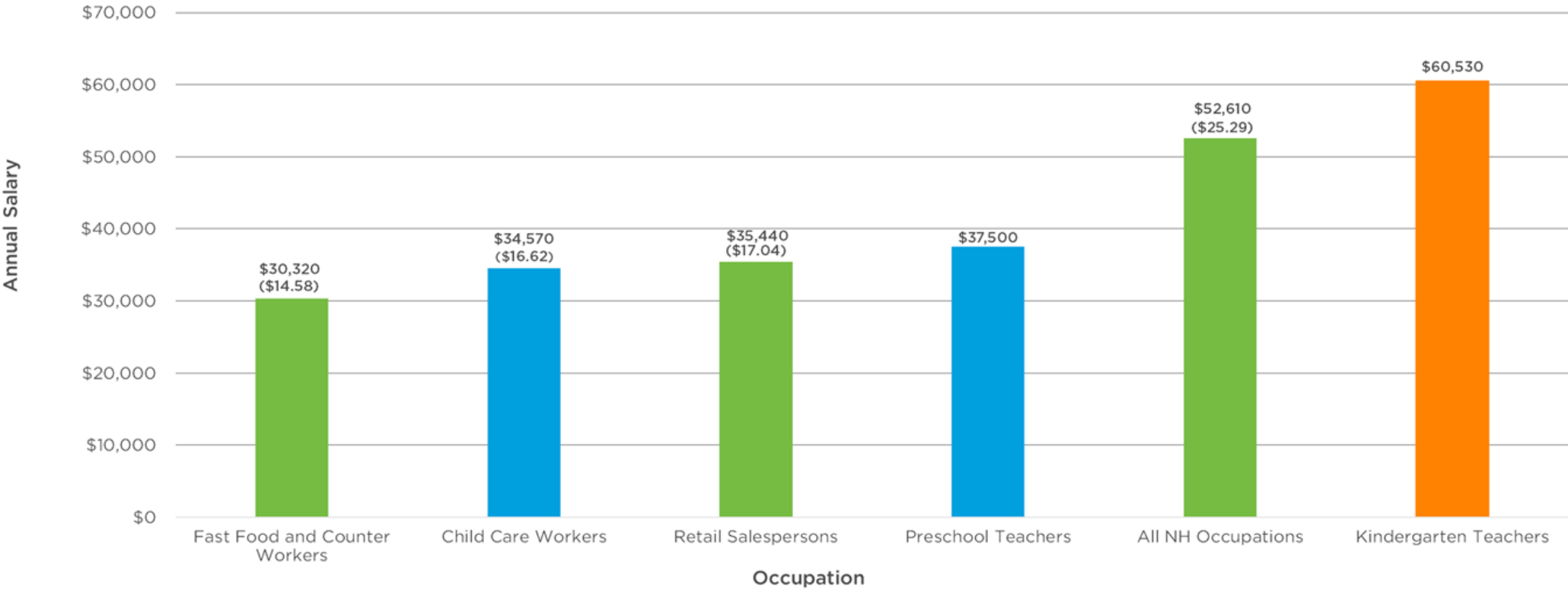
Although families pay so much...

...young children's development (& state standards) requires low child-to-adult ratios, spreading families' contributions thinly across multiple educators.

In 2024, the median annual salary for a NH "child care worker" was **\$34,570**.

# NH EARLY CHILDHOOD EDUCATORS' WAGES ARE NOT COMPETITIVE

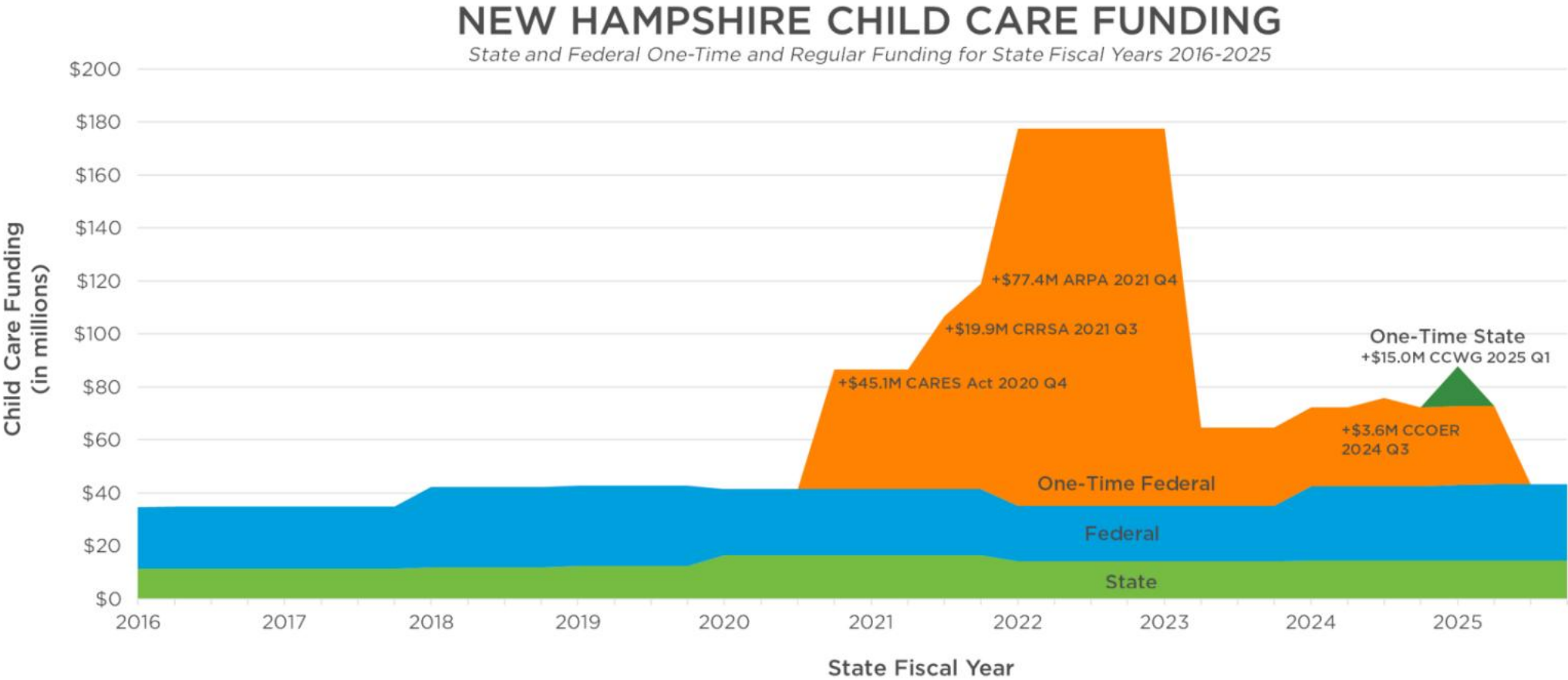
2024 MEDIAN ANNUAL SALARIES FOR SELECT NEW HAMPSHIRE OCCUPATIONS



Note: Preschool and kindergarten teacher incomes are only reported as annual salaries.  
Source: U.S. Bureau of Labor Statistics' May 2024 State Occupational Employment and Wage Estimates for New Hampshire



# ONE-TIME FEDERAL FUNDING HAS ENDED

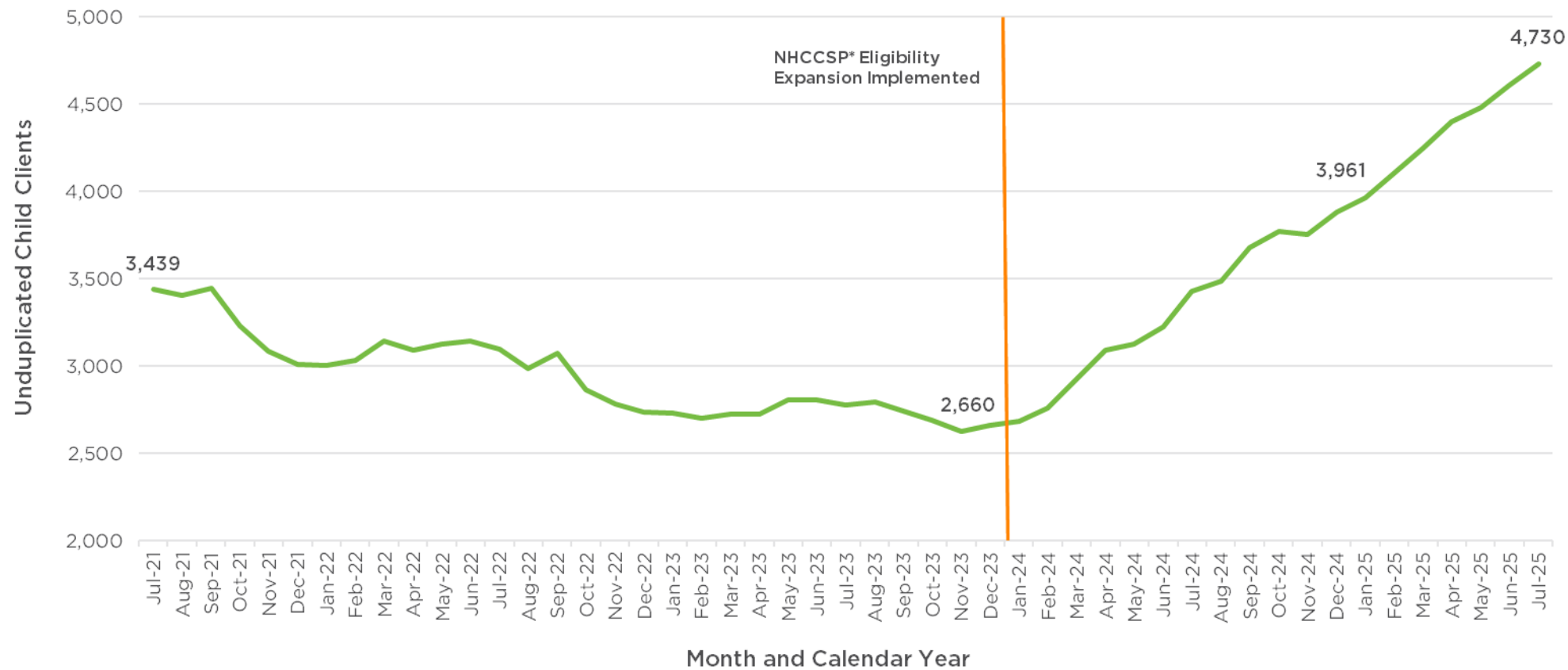


Source: For all Notes and Sources, see NHFPI's February 2024 Issue Brief, The State of Child Care in New Hampshire: End of One-Time Federal Investments May Reduce Industry Stability. Acronym Definition: Coronavirus Aid Relief and Economic Security (CARES), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), American Rescue Plan Act (ARPA), Child Care Operating Expense Reduction Grant (CCOER), Child Care Workforce Grant (CCWG)

# NH CHILD CARE SCHOLARSHIP PROGRAM ENROLLMENT UP 78 PERCENT SINCE DEC. 2023

## NEW HAMPSHIRE CHILD CARE SCHOLARSHIP USAGE

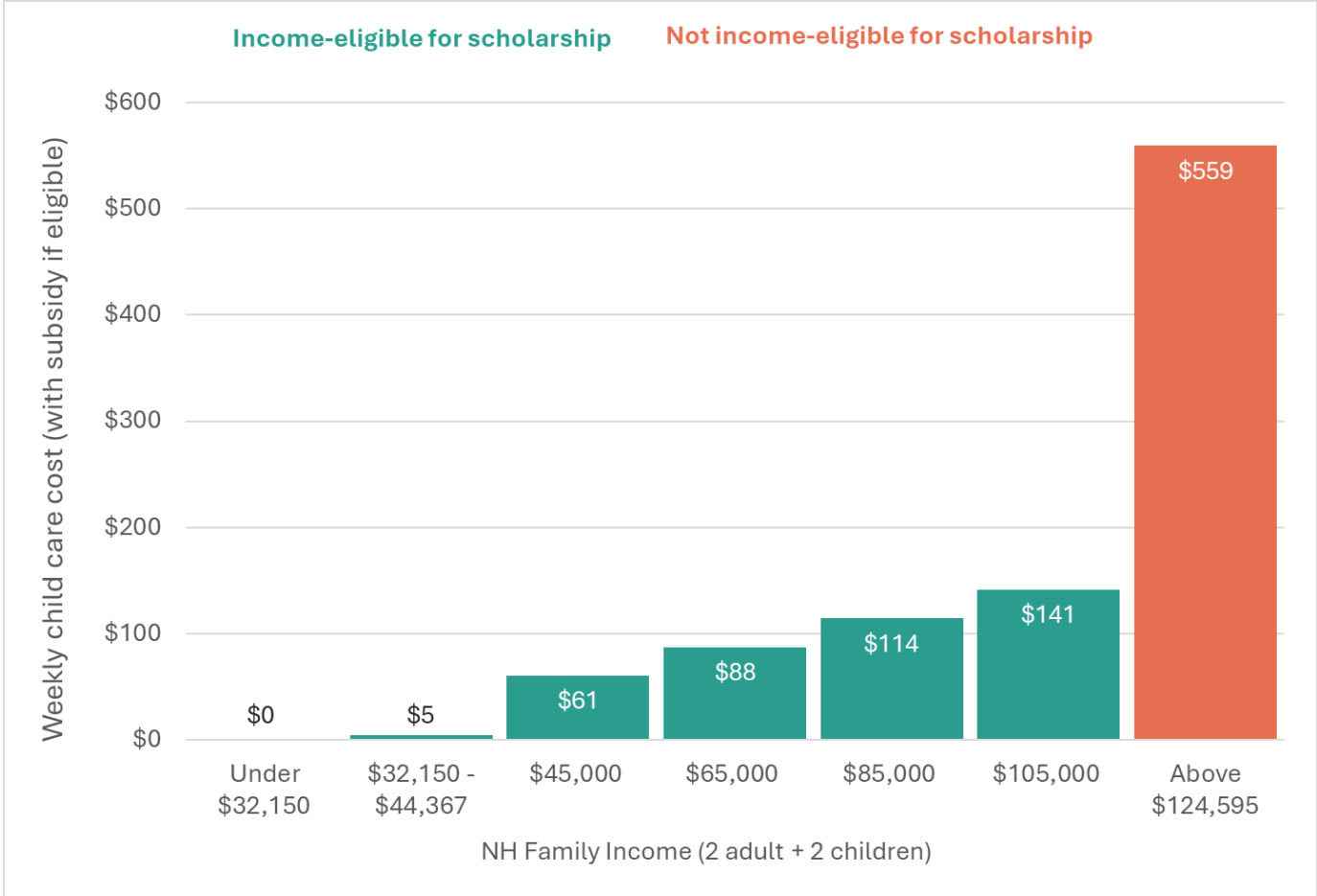
Number of Children Served Monthly by the New Hampshire Child Care Scholarship Program from July 2021 to July 2025



\*Note: NHCCSP is the New Hampshire Child Care Scholarship Program, which provides subsidies to help families access and afford child care services.  
Source: New Hampshire Department of Health and Human Services

For eligible families, child care scholarships can significantly reduce weekly costs.

Weekly Child Care Costs for New Hampshire Families with an Infant and 4-Year-Old, by Income and Eligibility for the NH Child Care Scholarship Program



Source: Carsey School of Public Policy calculations of NH DHHS-published income eligibility and co-pay information (as of July 1, 2025) and 2024 Child Care Aware price data.

# TRUE COST OF HIGH-QUALITY CHILD CARE

- Revenue from tuition and NH Child Care Scholarships may not generate enough funds to cover necessary program costs
- Costs may include:
  - Food and diapers
  - Toys, furniture, and playground equipment
  - Curricula and assessments
  - Cleaning supplies
  - Rent or mortgage, insurance, utilities
  - Additional office and business expenses
  - Reducing child to teacher ratios, as needed
  - Professional development for staff and out-of-classroom time
  - Payroll and benefits
- Difficult to streamline or consolidate child care costs due to unique business model
- On-going development of a "True Cost of Care" model to determine actual costs



The number of licensed child care programs in New Hampshire serving children under 5 **has fallen**.



Closures among small programs reinforces **geographic consolidation** of slots.

Change 2017 - 2025

Number of providers ↓ **10.8 %**

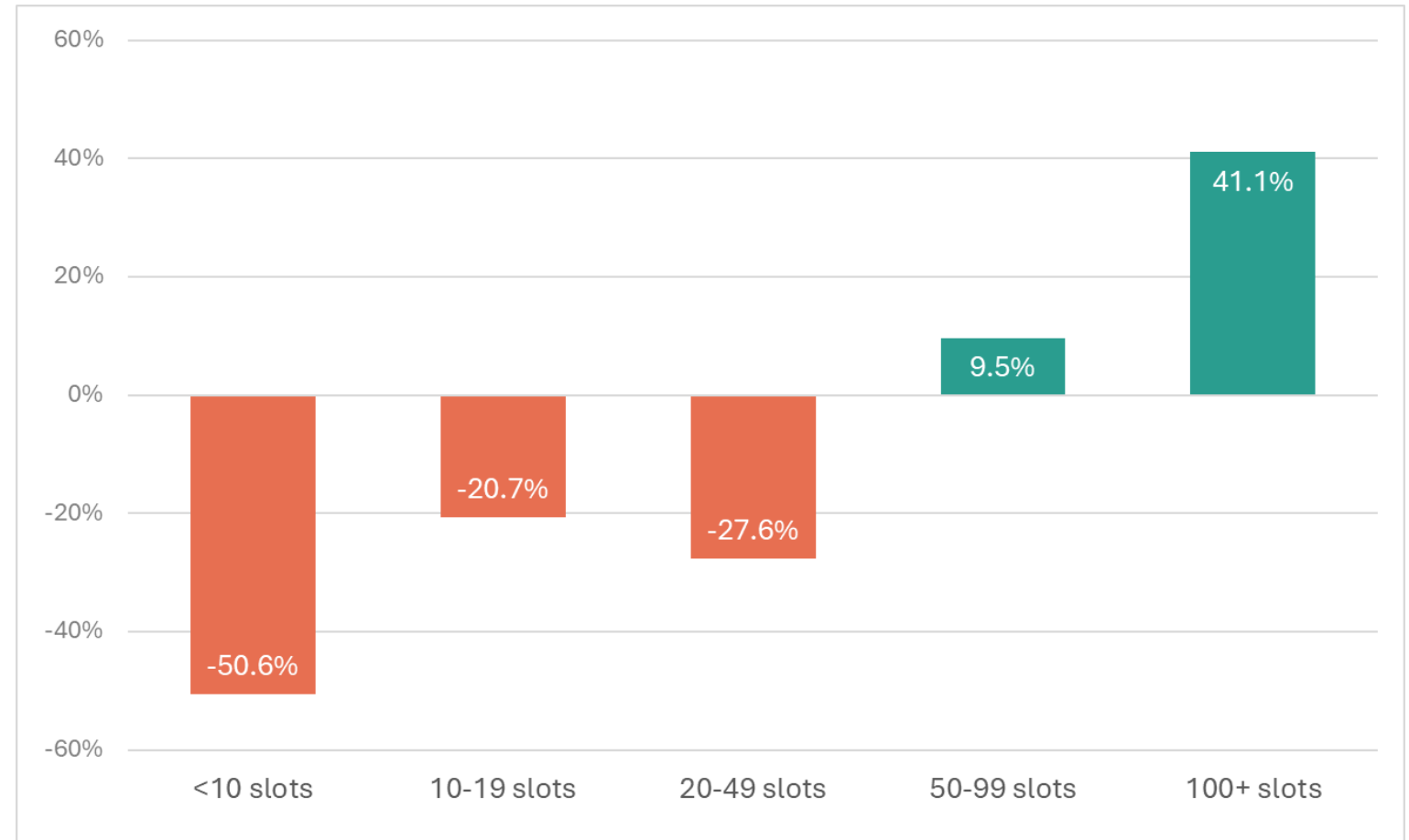
Licensed capacity ↑ **13.7 %**

Center-based provider capacity ↑ **16.2 %**

Home-based provider capacity ↓ **34.6 %**

New Hampshire has lost providers, but gained slots, as small program closures have been more common.

*Percent change in New Hampshire licensed child care programs, 2017 to 2025, by program capacity*



# The Business Case for ECE

## Working families need child care.

About 10% of NH's workforce has children under age 5.

In 2024, an average of 17,000 Granite Staters were **not working** each month because they were caring for a child not in school or child care.



# LARGE ECONOMIC IMPACT

## 2023 ECONOMIC IMPACTS OF LIMITED EARLY CARE AND EDUCATION AVAILABILITY

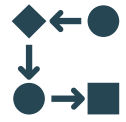
*Total Estimated Financial Costs Associated with High and Low Impact Scenarios and Per Unavailable Early Care and Education Slot for Family Incomes and Businesses, Local, and State Tax Revenues*

	Low Impact Total	High Impact Total	Low Impact Per Slot	High Impact Per Slot
Family Income	\$113.9M	\$177.9M	\$16,111	\$25,159
Business Revenues	\$35.6M	\$55.5M	\$5,027	\$7,850
Local & State Tax Revenues	\$9.0M	\$14.1M	\$1,278	\$1,996
Overall Total	\$158.5M	\$247.5M	\$22,416	\$35,004

Source: NHFPI calculations as detailed in NHFPI's February 2025 report, "The Economic Impacts of the Granite State's Child Care Shortage."

[nhfpi.org](https://nhfpi.org)

# Opportunities to Support ECE



## **Indirect support for employees' ECE needs**

Businesses deploy strategies to ease employees' access to care, without directly operating or funding a program.



## **Direct support for employees' ECE needs**

Businesses provide or subsidize access to care.



## **Support for community ECE infrastructure**

Businesses invest beyond their own workforce to strengthen the local availability of care.



## **Support for the ECE sector and workforce**

Businesses engage in strategies meant to stabilize the broader ECE field.



## Indirect support for employees' ECE needs

### ***These strategies....***

*Support employees by helping them meet ECE needs without major capital investment.*

- **Institutionalize family-friendly workplace policies**  
e.g., flexible scheduling, remote/hybrid work options, paid family leave, lactation support
- **Provide dependent care flexible spending accounts**  
Allow employees to set aside pre-tax income for child care expenses
- **Offer child care resource and referral services**  
Connect employees to local ECE programs and resources\*

\* Related expenses may reduce employer tax liability under the [45F Tax Credit for Employer-Provided Child Care](#)

## Direct support for employees' ECE needs

### ***These strategies...***

*Invest in workforce stability by addressing recruitment, retention, & absenteeism challenges*

#### **> Offer back-up / emergency / drop-in care**

Example: [Bank of America](#)

#### **> Develop on-site / near-site child care centers\***

Example: [Dartmouth Hitchcock Medical Center, NH](#); [Red Rooster Coffee, Virginia](#)

#### **> Partner to fund consortium-based centers**

Share costs and benefits of center investment among multiple employers

#### **> Reserve or contract for slots at community-based orgs to guarantee employees' access to local care**

Also benefits community-based programs, by adding revenue stability

\* Related expenses may reduce employer tax liability under the [45F Tax Credit for Employer-Provided Child Care](#)



## Support for community ECE infrastructure

### ***These strategies...***

*Support a robust regional labor force and economy by investing beyond one's own employees.*

#### ➤ **Contribute to local child care projects or “solutions” funds**

Funds can finance facility upgrades, wage supplements, or other locally determined strategies; examples: [Iowa Statewide Child Care Solutions Fund](#); NH's [CDFA Tax Credit Program](#)

#### ➤ **Partner with municipalities, chambers of commerce, or regional partners to assess local child care gaps**

Identify shared challenges to develop joint solutions; NH's [Investing in America Child Care Partnership work](#)

#### ➤ **Repurpose underused business space for community child care program development**

Alleviate a major operating expense pressure for ECE programs



# Support for the ECE sector and workforce

## ***These strategies...***

*Help stabilize the broader sector through improved wages, training, and sustainability*

### **> Sponsor ECE apprenticeships through local colleges**

Offset costs of ECE workforce training and credentialing

### **> Build public-private partnerships with potential for multi-stakeholder benefits**

Share child care costs between families, employers, and the state, with potential for labor force benefits to employers; example: [Michigan Tri-Share Child Care program](#); [NC Tri-Share Child Care Pilot Program](#)

### **> Engage in employer-led advocacy for policy solutions and sustainable funding models**

Harness private-sector power in policy spaces; example: [Texas Employers for Child Care Task Force](#)

Need help with data?





# What is the New Hampshire Early Care and Education Research Consortium?



The New Hampshire Early Care and Education (NH ECE) Research Consortium is **a network of researchers and research users** committed to strengthening the state's ECE landscape through data.

## What does the Consortium do?



Supports the coordination of NH ECE research activity



Builds & centralizes NH ECE research



Lends expertise to the creation and use of strong data systems

## The Consortium is...

» Led by UNH's Carsey School of Public Policy, with core expertise from NHFPI

» Funded by [the Couch Family Foundation](#)

<https://nhece.org>

NEW HAMPSHIRE  
EARLY CARE &  
EDUCATION  
RESEARCH  
CONSORTIUM



# CONSORTIUM MEMBER LIST

## ORGANIZATIONS



Couch Family  
Foundation



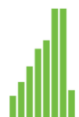
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nh children's trust



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New Hampshire  
Afterschool Network



NH ALLIANCE OF EARLY  
CHILDHOOD COALITIONS



Coös  
Coalition  
for Young Children and Families



WAYPOINT  
Help Along the Way

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<https://nhece.org>

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