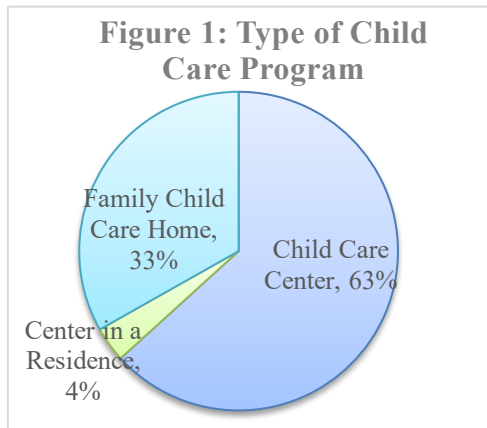




In March 2025, the North Carolina Child Care Resource and Referral Council (NC CCR&R Council) in collaboration with NC Child contracted with Well World Solutions to conduct a survey of child care providers in the state to assess if a *Child Care for Child Care Workers* benefit program, similar to one [recently implemented in Kentucky](#), would be useful to providers in North Carolina, especially in hiring and retaining staff, increasing supply or in sustaining their programs. In such a program, the state would provide support to child care programs by defraying the cost of providing this benefit to child care workers, who include early childhood educators, program administrators and other support staff.



More than 4,300 child care providers around the state (4,377) were invited via email to complete a short web-based survey. Additional reminders were sent throughout the fielding period. Data were collected between March 5 and March 20, 2025.

Responses were obtained from 1,263 child care programs, representing all regions in North Carolina, for an overall response rate of 29 percent. Of the 1,263 respondents, 799 were centers (63 percent), 45 were centers in a residence (4 percent) and 419 were family child care homes (33 percent), as shown in Figure 1. In this report, centers in residences are combined with child care centers for analytical purposes.

Bottom-Line Up Front:

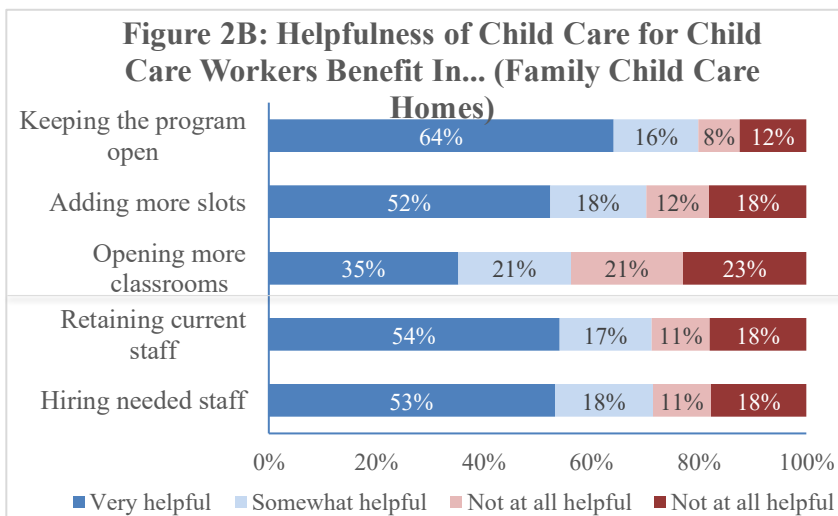
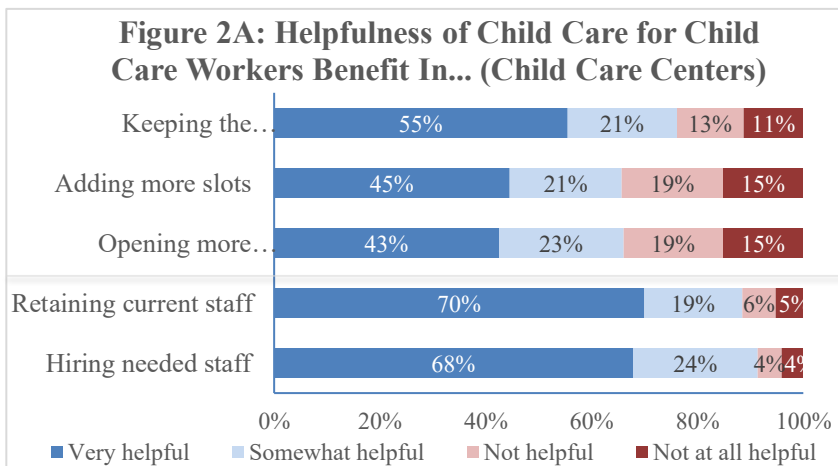
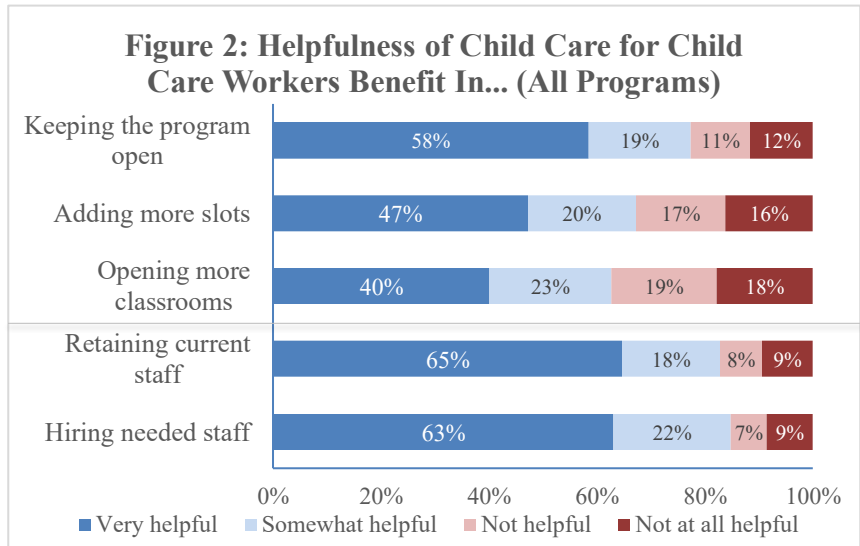
Licensed or regulated child care programs are largely supportive of a *Child Care for Child Care Workers* benefit in North Carolina. More than 8 in 10 child care providers thought it would help them hire new staff and retain existing ones, more than three-quarters of them thought such a benefit would help them keep their doors open and about two-thirds thought it would help them add more spaces or classrooms. About 9 in 10 child care providers thought this benefit should be available to anyone working in a licensed or regulated child care program with fewer endorsing it for specific staff, such as teachers or those working more than 20 hours per week. As one child care provider noted: “*This would be an incredible benefit to offer to our staff and it would help us retain the very best.*” Another provider on the cost of providing discounted child care to their staff said: “*The money that I am losing by hiring staff with children that need child care is extremely costly. It will eventually cause me to close down my business -- \$300 per week per staff at 10 staff per week is \$3,000 per [week]. Very costly. It does not pay for them to work in child care.*”

Currently, about one staff member is using a publicly-funded subsidy for a child in the program in which they work; and about three staff members are using employee-funded child care discounts.

If the *Child Care for Child Care Workers* benefit was made available to all staff with children under the age of 6 years working in a licensed or regulated child care program in North Carolina, an estimated 7,679 staff would benefit. These staff have an estimated 10,891 children under the age of 6 years who would be eligible for a child care subsidy through a potential *Child Care for Child Care Workers* program. If the benefit is only made available to staff working at least 20 hours per week, then an estimated 7,311 staff and an estimated 10,453 of their children under the age of 6 years would potentially benefit. Details on the findings are available below.

Opinions on Child Care for Child Care Workers Benefit

When asked about the impact of a potential *Child Care for Child Care Workers* benefit program on child care providers, providers were overwhelmingly in favor of such a benefit with 85 percent saying it would help them hire new staff and 83 percent saying it would help them retain current staff. More than three-quarters (77 percent) thought it would help them keep their program open. Additionally, about two-thirds of the programs thought the benefit would help them add more spaces in their programs (67 percent) and just under one-third (63 percent) thought it would help them open more classrooms (see Figure 2).



Child care centers are more likely to find this benefit to be helpful compared to their family child care home counterparts – 91 percent of centers thought it would help them hire new staff, 88 percent thought the same about retaining current staff, 76 percent found it beneficial in keeping their doors open, and 66 percent each thought it would help them add more spaces and open more classrooms (see Figure 2A).

Comparatively, 71 percent each of family child care homes thought the benefit would help them hire and retain staff, 80 percent thought it would help them keep their programs open, 70 percent thought it would help them add more spaces and just over half (56 percent) thought the benefit would help them open more classrooms, which would entail them altering their licensing status to potentially center in a residence (see Figure 2B).

It is not surprising that child care centers would find this benefit more

helpful than family child care homes, as centers are more likely to employ staff.

Staffing in Child Care Programs

All child care programs with staff, on average, employ 15 people with 12 of them being teachers in classrooms and three being other support staff. Child care centers employ, on average, 17 people with 14 of them being teachers in classrooms and three being other support staff. Family child care homes employ fewer people, employing three people on average with two of them being classroom teachers and one being other support staff (see Figure 3 below).

Figure 3: Average Number of Staff in Child Care Programs With Staff (Full- and Part-Time)

Program Type	All Staff	Teachers	Other Support Staff
All Programs	15	12	3
Child Care Centers	17	14	3
Family Child Care Homes	3	2	1

Centers have an average of 12 teachers (9 full-time, 2 working 20 to 34 hours per week and 1 working fewer than 20 hours per week) and three other support staff (2 working full-time and 1 working fewer than 35 hours a week). Family child care homes, on average, employ two teachers with one working full-time and one working fewer than 35 hours a week. Family child care homes also employ, on average, one support staff with them being mostly part-time workers.

Who Should Receive This Benefit

Child care programs overwhelmingly (90 percent) agree that the *Child Care for Child Care Workers* benefit should be made available to all people working at a child care program with similar share of child care centers (91 percent) and family child care homes (89 percent) indicating agreement (see Figure 4).

Still, family child care home providers were more supportive of offering the benefit only to teachers and providers like themselves (73 percent) and to those who worked fewer than 20 hours a week (65

Figure 4: Benefit Should Be Available To... (All Programs)

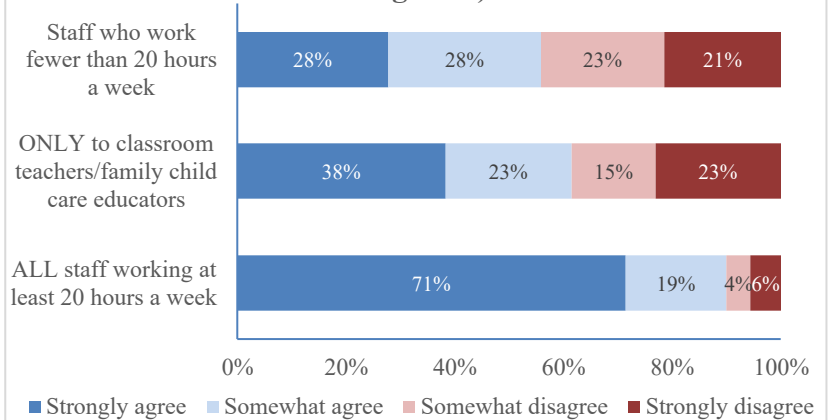


Figure 4A: Benefit Should Be Available To... (Child Care Centers)

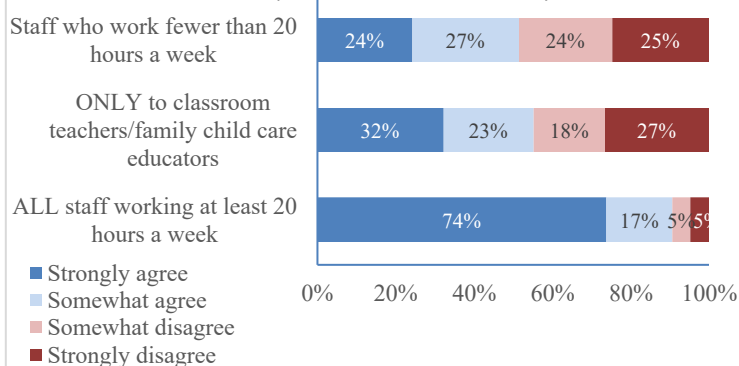
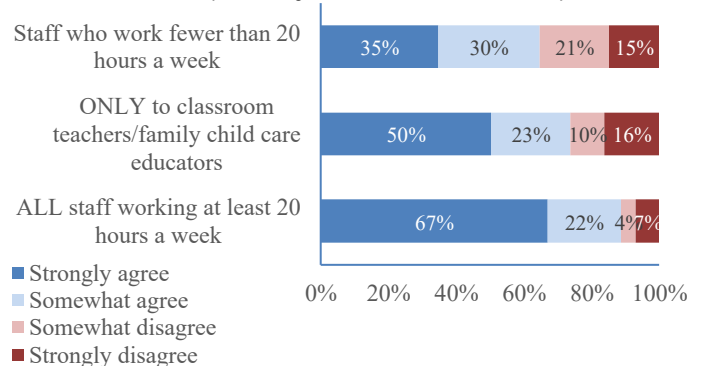


Figure 4B: Benefit Should Be Available To... (Family Child Care Home)



percent) compared to their center counterparts (55 percent and 51 percent, respectively). See Figures 4A and 4B for more detail.

Programs Currently Offering Discounted Child Care to Staff

About six in ten child care programs with employees (61 percent of all programs, 69 percent of centers and 19 percent of family child care homes) currently offer a child care discount to their employees. About 80 percent of these child care programs (81 percent overall, 81 percent of centers and 80 percent of family child care homes) currently have at least one employee availing themselves of the child care discount. On average, three child care program staff members (3 in centers and 1 in family child care homes) are availing themselves of this benefit. Child care programs are, on average, supporting three children (3 in centers and 1 in family child care homes) currently through this discount (see Figure 5). This translates into an estimated 5,998 children of staff working in child care benefiting from discounted rates.

Figure 5: Average Number of Staff and Staff's Children Supported by Child Care Discounts In Programs Offering the Benefit		
Program Type	# of Staff	# of Children
All Programs	2.8	3.2
Child Care Centers	2.9	3.3
Family Child Care Homes	0.9	1

As shown in Figure 6, more than nine in ten programs with employees, who offer a child care discount, offer it to teachers working 35 hours or more a week (93 percent of all programs, 95 percent of centers and 47 percent of family child care homes). About half of these programs (48 percent of all programs, 48 percent of centers and 47 percent of family child care homes) offer it to those working 20 to 34 hours per week; and about one-quarter of these programs (26 percent of all programs, 26 percent of centers and 27 percent of family child care homes) offer it to teachers working fewer than 20 hours.

When it comes to other support staff, about half of all programs (52 percent of all programs, 53 percent of centers and 27 percent of family child care homes) offer this benefit to those working 35 hours or more per week; about three in ten (30 percent of all programs, 30 percent of centers and 13 percent of family child care homes) offer it to those

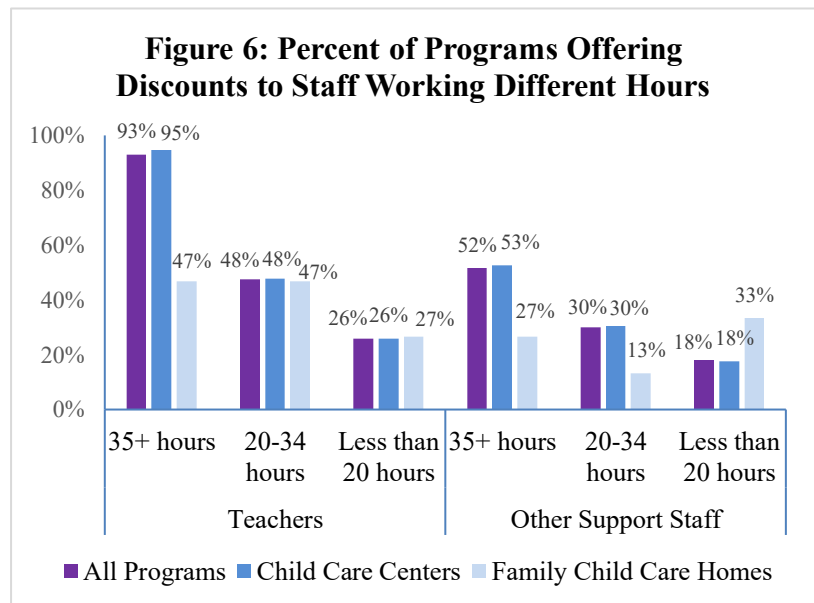
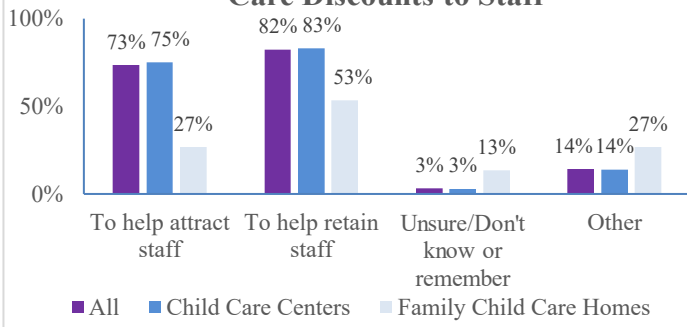
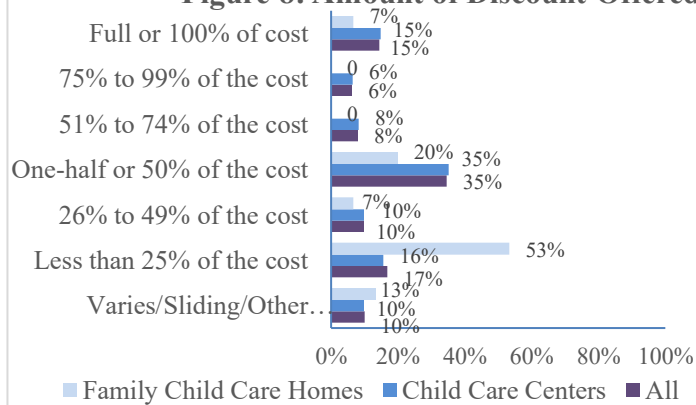


Figure 7: Reason Programs Offer Child Care Discounts to Staff

working between 20 and 34 hours per week; and fewer than one-fifth (18 percent of all programs, 18 percent of centers, and 33 percent of family child care homes) offer this benefit to those working fewer than 20 hours per week.

Child care programs offer this benefit to attract new staff (73 percent) and to help retain current staff (82 percent) with centers being more likely to cite these reasons (see Figure 7).

Programs offer a wide range of amounts when it comes to child care discounts. More than half of the programs, who offer this benefit, cover up to half of their employees' child care costs and another 15 percent of them cover all of it. Figure 8 provides details.

Figure 8: Amount of Discount Offered

Based on these survey data and data available on the enrollment and cost of child care for different age groups, such as infant, toddler, pre-school or school-age, from the NC CCR&R Council, it is estimated that North Carolina child care programs invest about \$31 million per year to provide discounted child care to their staff in order to recruit and retain them. A *Child Care for Child Care Workers* benefit

could help these programs recoup some of these costs and help them reinvest those savings in improving the quality of their programs to benefit the children in their care and North Carolina families.

Programs Currently With Children Enrolled in Their Program On Public Subsidy

Just over four in ten child care programs with employees (43 percent overall, 47 percent of centers and 22 percent of family child care homes) currently have at least one employee who is using a publicly available child care subsidy at the program in which they work. On average, one child care program staff member (1 in centers and fewer than 1 in family child care homes) are using a publicly-funded child care subsidy. Child care programs have, on average, one child (1.5 in centers and 0.5 in family child care homes) enrolled in their program, whose parent works for them and who are receiving a publicly-funded subsidy for child care (see Figure 9). *Note, other staff may be receiving publicly-funded child care subsidies whose children are enrolled in other programs, but estimating that was not in the scope of this study. Additionally, more child care workers might be eligible for a child care subsidy who are currently not enrolled in the program.*

Figure 9: Average Number of Staff and Staff's Children Supported by Publicly-Funded Child Care Subsidy

Program Type	# of Staff	# of Children
All Programs	1	1
Child Care Centers	1	1.5
Family Child Care Homes	0.4	0.5

Estimating the Number of Child Care Workers and Their Children Potentially Benefiting from a Child Care for Child Care Workers Benefit

A combination of data from the U.S. Census Bureau's 5-year American Community Survey and the North Carolina *Child Care for Child Care Workers* Survey was used to estimate the number of people working in licensed or regulated child care programs in North Carolina, and the number of children under the age of 6 year that they have. An estimated 41,060 people work in regulated or licensed child care programs in North Carolina. Of them an estimated 36,837 are classroom staff or teachers – of these teachers, most (35,860) work at least 20 hours per week. Child care programs also employ support and management staff, who mostly work at least 20 hours per week. Overall, 39,787 or about 97 percent of all child care employees work at least 20 hours per week.

If the *Child Care for Child Care Workers* benefit was made available to all staff with children under the age of 6 years working in a licensed or regulated child care program in North Carolina, an estimated 7,679 staff would benefit. These staff have an estimated 10,891 children under the age of 6 years who would be eligible for a child care subsidy through a potential *Child Care for Child Care Workers* program. If the benefit is only made available to staff working at least 20 hours per week, then an estimated 7,311 staff and an estimated 10,453 of their children under the age of 6 years would potentially benefit. Estimates of other eligibility criteria are presented in Figure 10. *Note, the estimates do not account for various eligibility criteria required by public subsidy programs and thus the potential number of staff actually eligible might be slightly lower than these estimates, depending on how the program was structured.*

Figure 10: Estimated Number of Staff and Children Potentially Benefitting from a *Child Care for Child Care Workers* Benefit

Program Type	# of All Staff	# of Potentially Eligible Employees	# of Potentially Eligible Children*
All child care workers	41,060	7,679	10,891
All child care workers working 20 or more hours per week	39,787	7,311	10,453
All classroom staff/teachers	36,837	6,959	9,786
All classroom staff/teachers working 20 or more hours per week	35,860	6,552	9,213

Selected Comments about the Proposed Child Care for Child Care Workers Benefit

Respondents to the survey noted the potential impact of such a program on the child care workforce and on the availability of quality child care in North Carolina as shown in the comments below:

“This would make the difference in some potential teachers making the choice to work or return to work after having children. The state subsidy lists in the 2 counties where my centers are located have waiting lists. I help in emergency but cannot afford to supplement their childcare due to struggling to meet our expenses. Please consider this help. It would be a win, win situation for all involved especially the children!! – Region 13

“This would greatly help our program maintain quality child care workers. Two of my staff members currently are pregnant. One staff member already pays private pay for her 3 year old son. The other pregnant staff member is over income for subsidy so will have to pay private pay which will be more than she makes in a month after paying for insurance. The chances

that she will not come back to work are very high due to being unable to pay for child care herself.” – Region 8

“This would be an outstanding benefit for multiple reasons. The obvious is to attract and retain quality faculty. Many teachers join the field because they have children in the age group and care is extremely expensive. It provides us with a steady stream of employee candidates. This would also allow teachers to choose the school that fits them best and not worry about the cost. Having reliable care for our teachers will, at the very least, help with retaining them for the time their child is in an early education center. It helps with improving retention rates and tenure significantly. One angle that is not explored in this survey is the financial impact to schools such as ours. We have a large number of staff children at our school that we provide discounts to. These discounts eat about \$22,000 per month in revenue which puts a strain on our budget. Freeing up this revenue allows us to put it towards teacher salaries and improvements around the school. In some schools it would also be the difference in whether they are able to stay afloat. This is not just a win for teachers, it's a huge win for businesses in the early education industry. As a business owner who is looking to grow into more schools, this policy would give me the confidence of opening more schools in state.” – Region 6

“This is one of the biggest issues we face right now is teachers don't have subsidy assistance with childcare and childcare is too expensive for teachers to pay 100% out of pocket. So teachers have to choose between finding other jobs that pay more money or not working at all. Childcare assistance for teachers would be a MAJOR help.” – Region 14

“This is great for staff that have children but does not benefit all staff.” – Region 10

“This is a great way to attract qualified staff. I have found it impossible to hire even one staff member that was qualified in this field even before covid. Teacher salaries do not support the expense of child care. It is actually cheaper for the mother to stay home. This program would allow mothers to earn an income without the childcare expense. I have past qualified employees that did not return after birth of child simply because they could not afford the care.” – Region 5

“The proposed Child Care for Child Care Workers program would be a transformative benefit for early childhood educators in North Carolina. As the Director of First Presbyterian Child Development Center, I witness firsthand the financial challenges that childcare professionals face. In fact, the Center for the Study of Child Care Employment shows that childcare costs often exceed what an early childhood educator earns, particularly when affording child care for their children. A program that covers childcare expenses for childcare workers would provide much-needed financial relief and serve as a crucial step in stabilizing the early education workforce. Childcare costs often exceed what an early childhood educator earns, forcing many skilled professionals to leave the field. For example, Mrs. Johnson, an educated and experienced Lead Teacher, had to leave our center because she could no longer justify the discrepancy between her salary and the cost of childcare for her daughter. This creates a cycle where childcare centers struggle to retain experienced educators, ultimately impacting the quality of care and education provided to young children.” – Region 12

“It would be imperative for the staff to receive full reimbursement. This would certainly help retain staff with children in the age from infant to five year old range. Due to low staff wages a single parent is unable to pay full tuition for their child/children, therefore this limits our ability to hire some eligible staff.” – Region 8