

# Five things to know about child care in WNC in 2025



# **1. Child Care Teacher compensation grants end this month (March 2025) aka the child care cliff**

- Funded from federal child care pandemic relief to states
- Big thanks to NC Legislature for extending from June 2024!
- Programs will face difficult choice of cutting wages, reducing capacity, or increasing parent fees
- Many may close

# What we're facing – survey findings from 1,529 child care programs in NC

When Stabilization Grants sunset, North Carolina **could be looking at losing 91,660 slots due to the closure of these programs.** See Table 1 for details.

Table 1: Programs Expecting to Close When Stabilization Grants Sunset			
Program Type	% Expecting to Close	# of Programs Estimated to Close	# of Slots Impacted
Center-based programs	28%	1,185	88,850
Family child care programs	30%	350	2,810
<b>All child care programs</b>	<b>29%</b>	<b>1,535</b>	<b>91,660</b>

North Carolina Child Care Resource and Referral Council (NC CCR&R Council) & Well World Solutions  
North Carolina Child Care Program Stabilization Grants Sunset Survey, March 2023  
<https://cms.childcarerrnc.org/wp-content/uploads/NC-Stabilization-Funds-Provider-Challenges-Survey-Findings-4.2.2034.pdf>

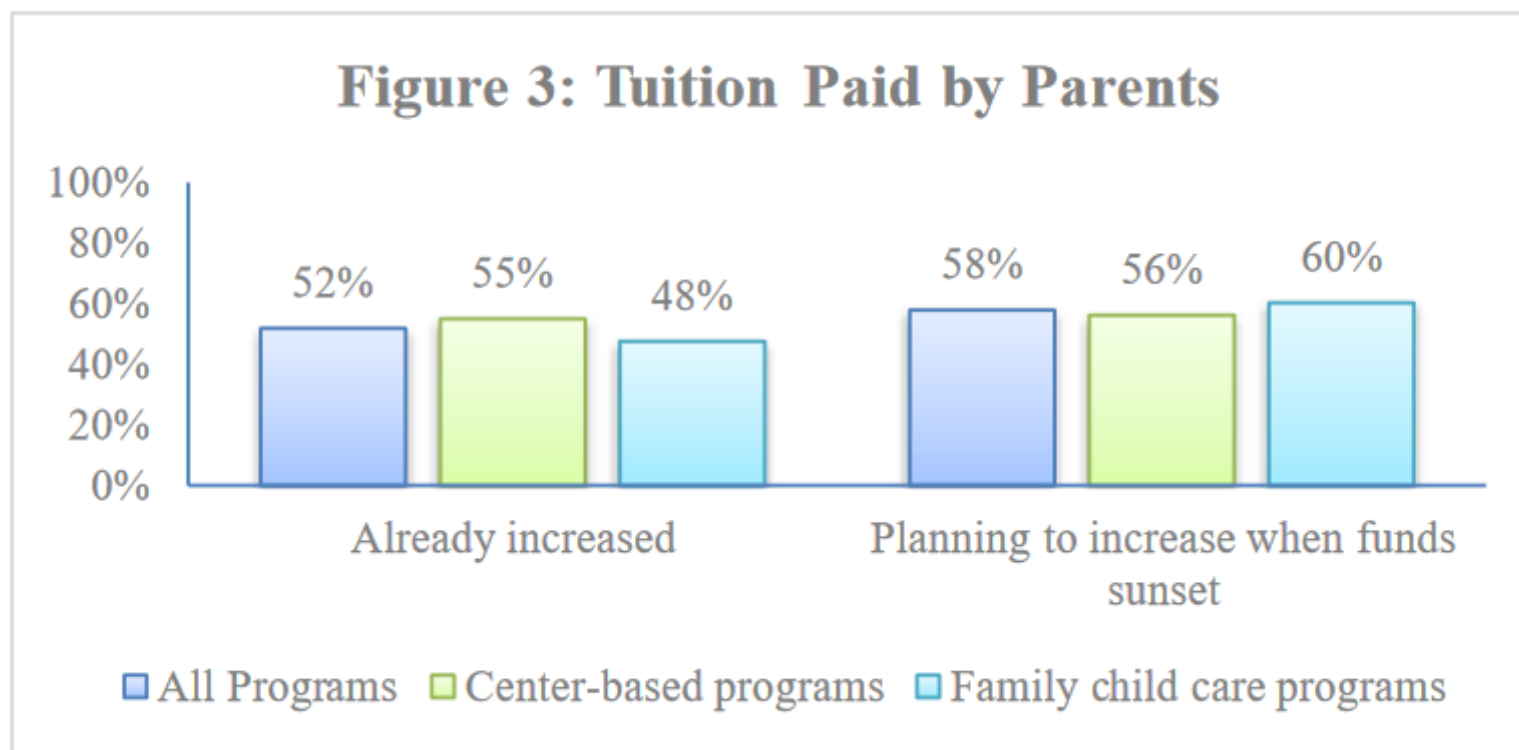




## **2. Parents can't find affordable child care**

- Cost can be as high as college tuition at Chapel Hill – average \$12,000 for infant per year
- Infant/Toddler care is most expensive and the least available
- 26% of parents left the workforce because they couldn't find affordable child care (NC Chamber Foundation Survey)

# Parent fees have increased, and likely to keep climbing



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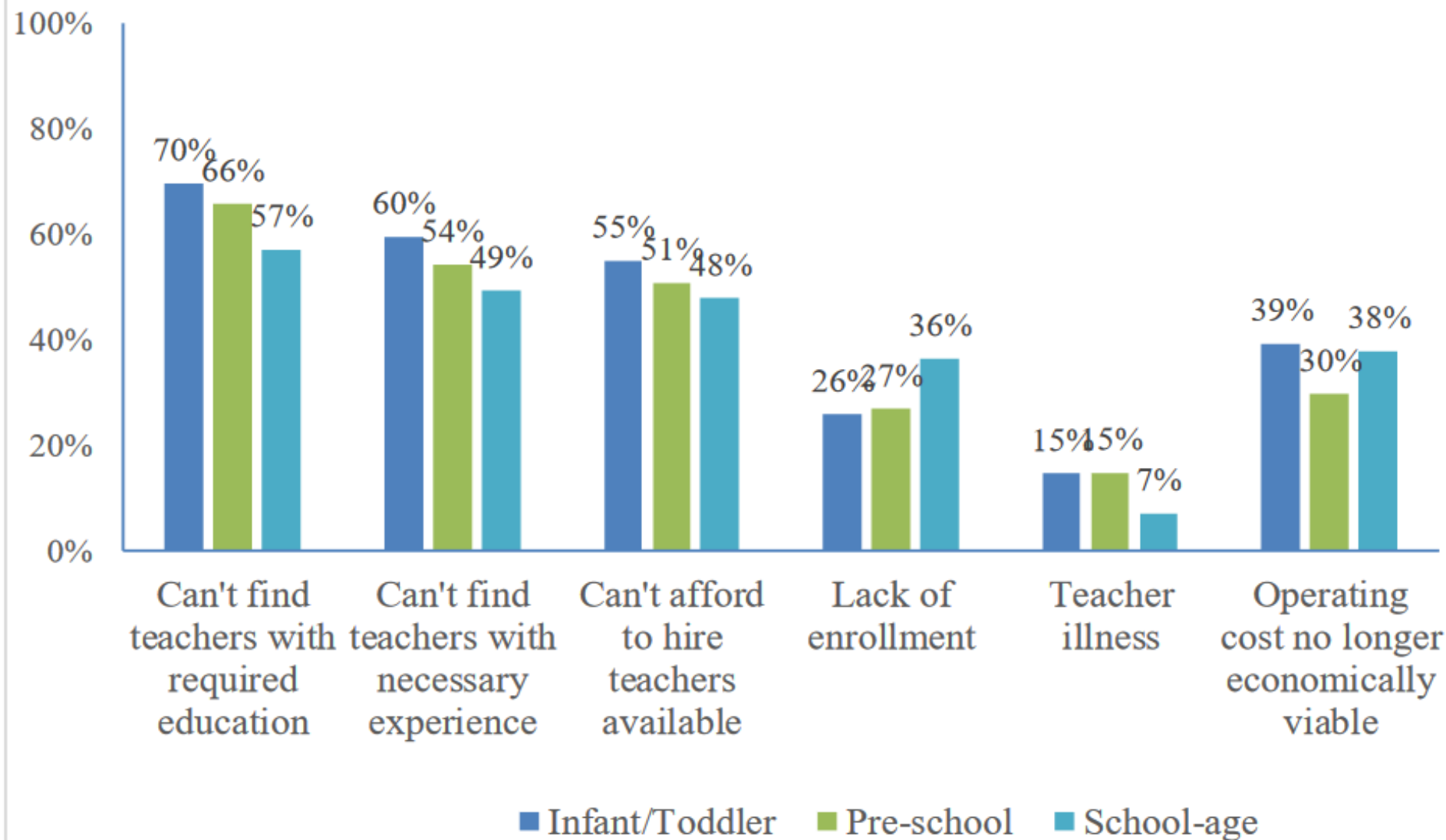


### **3. Child care programs are businesses, but the financial model is difficult to balance**

- Teacher workforce shortage; challenge finding experienced and qualified teachers
- Programs can't compete with wages of retail and fast food
- State reimbursements for child care subsidy program don't come close to covering costs
- Parents can't afford increased tuition fees



**Figure 7: Reasons for Closing Classrooms Given By Center-based Programs That Have Already Closed Classrooms**



North Carolina Child Care  
Resource and Referral Council  
(NC CCR&R Council) & Well World  
Solutions North Carolina Child  
Care Program Stabilization Grants  
Sunset Survey, March 2023





## 4. Helene recovery is a child care story, too

- Child care faced revenue loss, damage, closure through the fall
- \$10M relief from NC Legislature arriving this month
- Teachers, families, and children are dealing with their own post-storm losses
- The storm increased stress on a fragile child care infrastructure in WNC



# Child Care in WNC After Helene

Report Date	Total # of Licensed Child Care Facilities*	Open	Closed (Operational)	Unable to Establish Contact	Confirmed Damage Preventing Re-Opening
Oct 4	836	377	148	300	11

Report Date	Total # of Licensed Child Care Facilities*	Open	Open – Temporarily relocated	Closed (but Operational)	Unable to Establish Contact	Closed for Repairs through 11/30/2024	Closed for Repairs through 12/31/2024	Damage Will not Re-Open	Closed Permanently not due to Helene
Dec 10	820	798	7	3	0	0	7	1	4

*\*Operating status was self-reported and subject to change daily. Status reports from all licensed child care facilities in the following 26 western North Carolina counties: Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Catawba, Clay, Cleveland, Gaston, Haywood, Henderson, Jackson, Lincoln, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, and Yancey Counties, subject to change daily.*

## 5. Creative approaches and partnerships are on the rise

- Boone Area Chamber Foundation covered tuition costs post-Helene in October
- Biltmore Estate investment in infant-toddler care in Buncombe (25 new slots)
- Teacher workforce recruitment strategy led by Buncombe Partnership and Children and Family Resource Center in Henderson
- Family child care home project through Southwestern Child Development Commission to increase supply in rural counties
- Tri-Share pilot – sharing costs between businesses, parents, and government





# It's time to make sure the pie has all the ingredients

Systemic and sustainable public investment from federal and state levels

Strong public-private partnerships and innovation that match our mountain context

Helene recovery and economic development that includes child care access and affordability

Pieces of the childcare-supported pie to listen for today include...



*Impacts to healthcare workforce and patient care*



*Impacts to broader workforce*

*Impacts to regional economic stability*



*Impacts to employers and the business community*

*Impacts to regional recovery efforts*



What impacts did you hear about today that surprised or interested you?

A high-angle photograph of a group of children and an adult sitting on a colorful, interlocking foam play mat. The children are of various ages and ethnicities, all focused on looking at small cards with letters and pictures. One child is holding a card with the letter 'b'. The adult is also looking at the cards. The scene is set on a wooden floor, and a green plastic chair is visible in the bottom right corner.

**Access to reliable, affordable,  
and sustainable child care  
supports the health, wellbeing,  
resiliency, vitality and success  
of our communities**