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Legislature's Planning Committee September 29, 2023  
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**DeBOER:** --Legislative Council last year. They had a panel both from rural and a panel from urban. Do you remember this session? And they asked them what the most important things were to the rural and TO the urban. And both of them had housing and childcare as sort of their top, top things. So that's one of the reasons why, as a Planning Committee, I thought we should focus on those. And also, when I've surveyed all of you during the session and asked, what are the most important things? Housing and childcare were, again, at the top. So these are apparently things that of all the things that we're all concerned about in our various districts, those two keep coming to the top. So, so that's how we sort of decided to have this topic. Before we move, though, to childcare. Are there specific questions, as you were sort of going about your daily life thinking about housing, did anything come up for you, from the last meeting for anybody? Anything we need to follow up on?

**HOLDCROFT:** We did-- Teresa and I met with-- had another meeting with NIFA just to learn more about what the-- what they do, and some of their issues. And this goes into the rural subcommittee on affordable housing.

**DeBOER:** OK.

**HOLDCROFT:** One of the issues that we thought we might pursue is-- has to do with assessment of new, new homes in the community. So by statute, the, the value of a new home in a community has to be compared against the existing homes. The first 4 houses in a new development, their assessment has to be comparable to the property values of already existing homes in the area. Now today, in rural, right, the builders essentially can't build a house for less than \$280,000, something in those range, and none of the homes in, in that rural community are anywhere near that. So the assessment comes in far below the actual cost of the building for the first 4 homes. After the first 4 homes are in place, then, by statute, again, you can use those-- that as the base then, for your assessment of the value of the homes. So they come in-- the, the buyer comes in or the seller comes in asking 280. The assessor comes in and says, no, it's only worth 150 or 200. And so this-- the buyer has to make up the difference somehow.

**DeBOER:** Um-hum.

**HOLDCROFT:** He has to-- he has to--

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**DeBOER:** For the first 4 homes.

**HOLDCROFT:** [INAUDIBLE]. Now, the bank's not going to give you a loan for something that is, you know, less than the assessed value of the house. It's typical. They won't do that. NIFA's suggestion is that we establish a, a pot of money, essentially, from which very low interest loans, 1 or 2% kind of loans, could be made to those buyers to make up that difference for the first 4 homes. Now, once you get past the first 4 homes, then--

**DeBOER:** Then there's comps for the--

**HOLDCROFT:** --then there's comp-- I mean, then they're-- then they'll be compen-- assessed at the correct value. And you can go in beyond it. So we're really not talking about a large pot of money. But-- and that would be-- and it wouldn't be an expense actually, because we would, we would give the interest back. I mean, it would be repaid. But that's something that we thought we might try to pursue, to, to see if we could help out the builders of new homes in, in communities. And they are big plans. I mean-- and NIFA showed us some, you know, some communities that are, you know, having a chicken factory or whatever put in place. And they need, they need housing, but the builders are a little reluctant to come in there because they'll, they'll, they'll show a loss for their first 4, 4 homes, which they really can't afford. So, that was something we came across with NIFA, and something that Teresa and I could end up trying to pursue.

**DeBOER:** So that would end up looking like a revolving pot of money that you put--

**HOLDCROFT:** Right. Exactly.

**DeBOER:** --I don't know, a million in or \$2 million in to start. And then, our Appropriations Chair over there is probably-- there's probably others-- there's probably others that exist--

**HOLDCROFT:** [INAUDIBLE] We're not, we're not talking billions.

**DeBOER:** --there's probably others that exist like that, revolving funds like that. It's something like my special education.

**CLEMENTS:** Well, the Rural Workforce Housing Program itself is a revolving fund, but that's community-based. As far as the state fund, yeah, I'm not sure.

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**HOLDCROFT:** It's something we'll pursue.

**DeBOER:** Yeah. So are you going to follow up with that? Is that something you'd like to continue to follow up on?

**CLEMENTS:** I'd like to know really, why an, an appraiser has to wait for 4 homes.

**HOLDCROFT:** I don't know, that's what-- that's what they told us, right, Teresa?

**IBACH:** Yeah. I thought it was 5, but.

**HOLDCROFT:** Well, maybe it's 5.

**DeBOER:** It's--

**HOLDCROFT:** That's why you didn't think it was 4, because it's 5.

**DeBOER:** Well, if they're assessing the value of the house, I think they have to assess it based on cost per square footage and, and all of these things of the surrounding homes to establish-- I mean, that, that would be what-- if you had-- if you were going to sell your home, they would look for comparable homes to base it against. And if there's no comparable homes-- so if there were other very nice homes in the area, maybe it'd be different.

**HOLDCROFT:** Yeah. They showed us the [INAUDIBLE] which town it was, but I mean, it's right across the street from an already established neighborhood. And so the, the, the assessor really has no option except to look at the houses that are right across the street.

**CLEMENTS:** You need to use the word appraiser.

**HOLDCROFT:** What did I-- well, I said assessor, correct? Appraiser is the correct term.

**CLEMENTS:** Yeah.

**HOLDCROFT:** Thank you for that, Senator Clements.

**CLEMENTS:** The assessor is probably going to put it at 280. He knows what the building permit was.

**HOLDCROFT:** You're right.

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**DeBOER:** Well, that's a, that's a really good thing to follow up on and, and let us know what you're finding on that one. And when we get ready in December-- well, OK. So the structure is we have this meeting, and then, next week will be-- next week. Next month, we'll be talking about water. And then the next month, in November, is open for sort of following up and putting everything together to try and come up with some legislation out of this stuff. So if that's something that you're interested in, I would--

**HOLDCROFT:** Yes.

**DeBOER:** And then in December, we'll prepare a report for the rest of the body. We're talking about, the, the Rural Subcommittee on Housing. And they, they came up with some interesting ideas.

**VARGAS:** Well, I just had a wonderful call, which we got to talk-- we should-- with, with some housing developers, and I just want you to know why I was running, running late-- specific on some of the taxation issues that they're having on market, market value.

**HOLDCROFT:** Yeah.

**VARGAS:** They're being taxed the market value rate, rather than sort of what the intent is, is for affordable housing and it's really hampering, especially with the interest rates right now. That is just hammering their ability to have-- to actually invest in the projects. Like, they should-- we should look at a tax abatement or like a moratorium on it. Otherwise, it's not going to work.

**DeBOER:** And this is in rural or urban or both?

**VARGAS:** Both. Both. Because it's just lending is getting that much harder right now. I'm looking at Clements. I don't know if you've been hearing that, but the lending on the, on the private side for these-- for, for the housing developers is just-- it's, it's just getting that much harder because of the interest rates. So even more reliant, the low-interest or no-interest rates that we get from the nonprofit development corporations in the rural workforce housing, some of the revolving loan fund that's happens locally, is way more important than it's ever been. Because, well, that's saving them tons of dollars. So that was-- those were 2 things that came out of it, which is either there's some sort of like tax loan abatement on, on-- and not tax them as market rate or, or pausing or not doing it for a certain amount of times if they build a number of affordable units. And the other is I

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heard that Lancaster County is actually doing some level of taxing these affordable housing units at the market rate and it's just crippling some of the housing that's happening in Lancaster County right now. So literally just got off the phone with them, so apologies for being late. But I thought it was a pressing thing to share before we--

**DeBOER:** So it sounds like there's a number of things in this area that we can work on to make it more attractive for developers to develop, having to do with assessing, and then-- or appraising-- sorry. Appraising. Apologies, Senator Clements. And, and also then with how they're taxed.

**CLEMENTS:** And he's talking about an assessment.

**DeBOER:** He is.

**VARGAS:** Yeah, I'm talking about an assessment, too. Yeah, it's the same thing.

**DeBOER:** He's talking about appraisal.

**VARGAS:** Board of E-- yeah. So 2 different things, but Board of Equalization type of conversations, too.

**DeBOER:** OK.

**CLEMENTS:** So you got a constitutional issue with equal and proportional taxation of property.

**DeBOER:** But that's why--

**CLEMENTS:** It's going to be hard to--

**VARGAS:** That's why I was talking about like abatement, abatement or [INAUDIBLE] abatement or like pause or-- that-- we have done that before in other ways. We do it with like the lower-income families, right, for-- oh- why am I forgetting this? In Appropriations, we set aside a certain amount for individuals over 65--

**DeBOER:** The Homestead Exemption?

**VARGAS:** --for the Homestead-- yeah, Homestead Exemption. Just could not get it out of my head.

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**DeBOER:** I was like it looks like-- that sounds like the Homestead Exemption.

**VARGAS:** I was like, describing everything about it, you know, like it looks like, it sounds like a duck and it looks like a duck, it's-- it must be a duck.

**DeBOER:** Yeah.

**CLEMENTS:** There you go. Yes, there is a-- that would be--

**VARGAS:** We'll figure it out.

**CLEMENTS:** [INAUDIBLE].

**DeBOER:** Well, these are good issues to follow up on for housing. And if, if you all want to continue to talk about those, I think when we come back for our November meeting, we'll have a couple of areas that we can focus on. And I think housing should be one of them, because we seem to keep coming back to it. So I guess then, Rick, is there anything else on the rural subcommittee that you wanted to talk about?

**HOLDCROFT:** No. I didn't have anything else.

**DeBOER:** OK. Did you guys talk-- get a chance to talk about childcare in a rural setting or anything? I didn't send you stuff. I'm sorry. I should have sent you stuff.

**HOLDCROFT:** No. I think we're kind of waiting for this presentation.

**DeBOER:** Perfect. Yeah, I meant to send some stuff ahead of time so that we could have some discussions. And since no one else on my subcommittee is here, I'm not even going to-- we'll get to this all in, in--

**VARGAS:** What's your subcommittee?

**DeBOER:** Urban.

**VARGAS:** Oh, yeah.

**DeBOER:** So let's get to the presentation then, shall we?

**JOSIE SCHAFER:** Yeah. So Josh Shirk from Voices for Children is going to present first and kind of give a lay of the land. Where-- who is

the under-5 population? Where are they? And then Katie Bass is going to take over to talk more about educational programs for that group.

**JOSH SHIRK:** Yep. Thank you. OK. Hello, I'm Josh Shirk, from Voices for children, and I'm the research coordinator there. And for the past 30 years, Voices for Children in Nebraska has released an annual Kids Count in Nebraska report. By compiling and reporting key indicators of child well-being in Nebraska, Kids Count provides an accessible snapshot of how our economic, educational, health, child welfare and juvenile systems are performing for children and families living in Nebraska. And today I was asked, as Josie said, to present some relevant demographics to early childhood education, the differing needs of children in the state, including key indicators that contribute to a child being ready to learn and develop. So with that in mind, I'd like to, first begin with an overview of just the child-- Nebraska's child population. The state of Nebraska has just over 130,000 children under the age of 5. The big 3 urban counties of Douglas, Lancaster and Sarpy account for just over 74,000 of those children, or 57% of the state's children under the age of 5. However, as seen in, in the slide right here, the second one in the PowerPoint print out that I provide for you. We have presented the counties with varying percentages. Counties have varying percentages of population that are under the age of 5. So counties with the darker shade of red represent younger counties in the sense that they have a higher percentage of its overall population under the age of 5, while counties with the blue shading have a lower percentage of children under the age of 5. Slide-- the next slide features the same data, except for children under the age of 18. And across the state, there are 485,910 children under the age of 18. Again, the big 3 urban counties account for about 56% of the state's total child population. And again, the, the-- each county is shown with the total estimate of its child population and the percentage that those children make up of its overall population, with the red-shaded counties having a larger percentage of children and the blue-shaded counties having a smaller percentage of its-- children in its population. The most recent data that we have compiled shows that in 2021, there were 24,609 babies born in Nebraska. Of these new babies, 1% were American Indian, 3.7% were Asian Pacific Islander, 6.2% were Black African American, 6-- 16.1% were White Hispanic, 4.8% were in the multiracial other category, and 68% were White Non-Hispanic. With regards to infant and child deaths, there were 136 infant deaths in Nebraska in 2021. The infant mortality rate overall in Nebraska was 5.7 per 1,000 births. But disaggregating these data by race and ethnicity shows that the

rate of infant mortality is substantially higher for American Indian and Black African American infants. Meanwhile, among children ages 1-19, the number of, of deaths in 2001[SIC] totaled 144, a number that's been trending slowly up since 2009. On the next slide, shows health insurance coverage in 2021, for our state's children. 94.6% of children in Nebraska had health coverages, and employer-based coverage and public options were the most common. But again, disaggregating the data, data by race and ethnicity shows that a larger proportion of African-- American and Indian children, nearly 10%, and Hispanic children, nearly 10% again, and multiracial, 10% children remain uninsured. Regarding the family structures and living arrangements that children are living in, in Nebraska. As seen in, in this slide, 71.5% of Nebraska's children live in married couple households, 8.2% live in cohabitating couple households, and almost 16% live in single female households, with 4.6% living in single male households. In addition, there were, as the next slide shows, there were 16-- or there's 1,698 children living in group quarters, 4,076 living with their grandparents without a parent present, and 3,848 children living in non-family households. With regards to labor force participation among families with children, as the next slide shows, the labor force participation is high among families with children. However, the lack of access to affordable and quality childcare may prevent some parents from working. Nationwide, 13% of parents with children ages 0-5 have quit-- either quit, did not take, or greatly changed their job because of childcare issues. Nebraska did, however, have, according to the data, have the lowest percentage in the nation, with only 6% of parents experiencing such job changes due to childcare issues. In Nebraska, labor force participation among families and children under the age of 6 is 72.7% overall. However, that participation is considerably higher among parents with children ages 6-17, ages in which access to education for the child is free and publicly provided. So it's 78.3% among children-- or parents with children in the, the 6-17 age range, compared to the 72.7% with zero-- children 0-5. At the county level, the-- as this bar graph shows, in the, the 3 urban counties, this, this difference between the, the parents working and those age ranges of children shown, here, Sarpy County shows the biggest gap, with the red bar graph showing an 11-point difference in the percentage of parents with children under the age of 6 who are working and parents with children ages 6-17 who work. Overall, though, across the state, as this slide shows, the families with children under the age of 6 do have a high labor force participation rates. This visualizat-- visual, visual-- visualization, if I say correctly-- these rates by county, again shows the red, the red shading represents

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counties with higher partic-- participation rates among children--  
yes?

**VARGAS:** What is the definition according to the A-- ACS, the survey,  
for labor force participation?

**JOSIE SCHAFFER:** It includes those that are employed and those that are  
currently unemployed but looking for work. In the employed category,  
it look-- includes full time and part time.

**VARGAS:** Do we have any-- the reason why I ask is because we have  
received-- we've seen numbers in the past, some from your slides,  
parsing out the underemployment, like we have higher underemployment.  
So people are actively looking, they're full employed or they're  
actively looking or are somewhat employed. But I was curious to see, I  
don't know if we have any data on across the state, of like  
underemployment, are looking for employment and where that kind of  
ranks.

**JOSIE SCHAFFER:** So we-- of that labor force participation rate, we have  
one of the highest rates in the country of those that are actually  
employed. So most of these folks are really employed. There's a very  
small difference there. But in terms of underemployed people that are  
currently part time that want to be full time, or people that are  
looking to move into other industries, we would have to use a  
different survey. It's the current population survey from the Bureau  
of Labor Statistics. I would not be able to provide that kind of data  
by county, but I could provide edge cash out of Nebraska  
underemployment, as well as people working multiple jobs, which we  
have a fairly high rate in the country, as well.

**VARGAS:** Because that's interesting, right? Because we talk about our  
H3 jobs, we talk about all the open positions that we have in all of  
our counties and our communities. And it would be interesting to be  
able to see across this, what the-- on like multiple jobs,  
underemployment, seeking employment, how much of a percentage is in  
each county.

**JOSIE SCHAFFER:** We can't do it by county. It's just a much smaller  
survey.

**VARGAS:** Not by county, but oh, like-- yeah, or across the state.

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**JOSIE SCHAFFER:** We can look at Nebraska as a whole and in comparison. And then, you know, you do have a fairly good idea. I think we could do part time by county--

**VARGAS:** Part time would be helpful.

**JOSIE SCHAFFER:** --so it would give you an estimate.

**DeBOER:** Yeah.

**JOSIE SCHAFFER:** But even going back one slide here, he's-- this rating of 6% of those that left for childcare, that's also a really good indicator, too. Yeah, it's the lowest in the country. But 6% of folks coming out of the workforce in a really tiny workforce is enough to say childcare is problematic.

**DeBOER:** So is that measured by asking folks who exit the workforce why they exit the workforce? So it's self-reported data?

**JOSIE SCHAFFER:** It is all survey data and it's all self-reported.

**DeBOER:** OK.

**JOSIE SCHAFFER:** And so in the housing, it's a similar survey to the one I used with why people leave. Very often, they say the primary reason. So maybe the secondary reason is childcare, and so we're kind of undercounting something like that, as well. Because they kind of make people say it's one thing. And usually when I leave the workforce, maybe I don't like my boss, and it would be easier for childcare. Right. So it's maybe two things, but I'm really only answering one, so there's probably a bit of an undercount.

**CLEMENTS:** This map, those numbers, those numbers, are those number of children, number of parents, number of households, which is that it?

**JOSIE SCHAFFER:** Is the labor force participation rate of families with children under 6.

**DeBOER:** But there's a percentage and also a raw number.

**CLEMENTS:** So there's--

**JOSIE SCHAFFER:** You're seeing the percentage and then the count of those families. So it's families and households, yes.

**CLEMENTS:** Families. Number of families?

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**JOSH SHIRK:** All right. Thank you. Move on to the next slide, regarding the economic status of families and children in Nebraska, is 2021 poverty rate for children was 12.1%, which was 1.5 points higher than Nebraska's overall rate for, for all persons. In, in addition, 2021 data shows, on the next slide, that Nebraska's poverty rate for those under the age of five is 14%. And this shows the poverty rate for children under age 5 in Nebraska by county, again, with the darker shade-- shaded counties experiencing higher poverty rates and the lighter shaded counties experiencing lower poverty rates.

**HOLDCROFT:** And what do you base your poverty-- I mean, what's the definition of poverty?

**JOSIE SCHAFFER:** It's the traditional poverty measure which takes into account income and size of family. So there is no one set number. But for instance, a family of 4 with 2 kids under age 18, so 2 parents, 2 kids under age 18, it's \$21,400.

**HOLDCROFT:** Does it make a difference if there's single parent? I mean, is it just basic--

**JOSIE SCHAFFER:** It, it would. So it would be size of the family. So 3 people, smaller family need a smaller income, but the differentials-- and I can print out what it is for you based on size of family. It also matters if you're over age 65 or not. So the traditional poverty rate is always higher for families with-- so the under age 5 poverty rate is higher than the overall poverty rate, because as you add children into the family, the threshold changes. And so, more children, lower number to be in poverty, so the poverty rate is a little bit higher. So I mean, it's not just 1 number. It's-- but it's a very simple [INAUDIBLE], size of the house, age and income. And that's all it takes into account. There is a supplemental poverty measure that takes into account cost of living, so you could compare Nebraska to California, where housing is more expensive or something like that. [INAUDIBLE] we usually use the national poverty measure. That's what most of the funding is [INAUDIBLE] based on.

**HOLDCROFT:** OK. Thank you.

**JOSH SHIRK:** And we print that in our Kids Count report, the-- how much person-- how many persons in the, federal federal poverty level guidelines for what, what it would be for how many people are in the family. I can-- I have some in the car if you would like. I know we've

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delivered some to senators before, but I'm sure they get lost. But it's on page 50 of our Kids Count report, the last one. So, yes.

**JOSIE SCHAFFER:** Thank you. One more comment on poverty. Just the United States Census Bureau's American Community Survey just released the 2022 1-year--

**JOSH SHIRK:** Yeah.

**JOSIE SCHAFFER:** --and poverty has been tracking up overall, since 2020. So the rates are a little higher, including for under age 5, as well as over age 65. The poverty measure has been tracking up, and particularly in rural Nebraska. That data was released this month.

**VARGAS:** Is the survey-- are they accounting for inflation?

**JOSIE SCHAFFER:** They are not. They're just looking at income. So median household income is down in 2022 pretty much everywhere, including Nebraska. So household was about \$72,000. It's down to \$68,000. So as income goes down, the number of people in poverty go up.

**IBACH:** Like, for a traditional family, what's poverty?

**DeBOER:** If there's-- depends on the--

**JOSIE SCHAFFER:** It depends on the size of the family.

**VARGAS:** Their salary does not account for inflation at all.

**JOSIE SCHAFFER:** It does not.

**VARGAS:** At all. [INAUDIBLE].

**DeBOER:** So it's worse than--

**IBACH:** I-- no, I just want to qualify for anything, though, what's the--

**JOSIE SCHAFFER:** So if you're a family of 4, they're saying it's \$26,500. But it also depends if you're under age 5 or over age 65 in a family of 4, too. So that-- there's not just like, a number, but you can say number of persons and then different-- and these are actually-- so federal poverty level, other different program qualifications.

**IBACH:** OK. This is for a ballpark number, though.

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**JOSIE SCHAFFER:** I use \$21,400.

**IBACH:** \$21,400? OK.

**DeBOER:** For a family of 4.

**JOSIE SCHAFFER:** For a family of 4.

**IBACH:** OK.

**JOSIE SCHAFFER:** Because I'm assuming they're both young children.

**DeBOER:** Yeah.

**IBACH:** Thank you.

**JOSH SHIRK:** And I will note right now, I don't know how-- the next time you'll need this data, but we'll have all this compiled for 2022 data in about 1-2 months, probably so the--

**IBACH:** By the end of the year?

**JOSH SHIRK:** Yeah. For sure.

**DeBOER:** Thank you.

**JOSH SHIRK:** Next slide. Again, we were-- as we were just somewhat touching on, families and their income, the median income for families with children, for all families across the state, it's 80-- about \$85,000; married couple families making sub-- substantially more, at \$105,000; and then single households making much less, the male household earner with no spouse coming in at about \$51,000 a year median income, and a female household with no spouse at just over \$33,000 a year. Mean income for families by race and ethnicity also shows some variation with the white, non-Hispanic and Asian families making close to the overall median of, of \$85,000 or more, like white non-Hispanics making \$90,614, and then American Indian, black, Hispanic families making in the \$50,000 range. And I'll kind of pivot to something that we've been tracking since-- for-- since 2001, which will kind of lead into what Katie will be talking much more about, which is specific-- specifics on early childhood education in public school, public preschool enrollment rates. As you see in this graph, they have been going up steadily since-- every year this century, since 2000 and-- 2001, until basically, COVID hit. And then we, we-- there was a drop of about 8.3% in enrollment in the 2020-2021 school

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year. Enrollment did bounce back the following year to 18,841, but that is still below the 2019-2020 enrollment levels. So with that in mind, I can turn it over to Katie..

**DeBOER:** Thank you.

**CLEMENTS:** I had one question. Back on the Nebraska births, [INAUDIBLE] about the fourth page--

**JOSH SHIRK:** Yes.

**CLEMENTS:** Are the, are the number of births increasing or decreasing?

**JOSIE SCHAFFER:** The number of births overall is not increasing. But as we come-- births minus deaths is positive. So we're having more births every year than deaths. And we actually have the seventh highest rate in the country for being births positive. So we are growing through Nebraskans growing Nebraska. But the number of births that were here was not [INAUDIBLE].

**CLEMENTS:** Was it about level?

**JOSIE SCHAFFER:** Yeah.

**CLEMENTS:** OK. Thank you.

**JOSIE SCHAFFER:** I have a [INAUDIBLE] population pyramid on 2022, with those 1-year numbers. I'll bring it another time, but-- and it looks-- so I say about 27% of people are young, 18 or over, and 21% of the population are baby boomers. So that's why I said we're positive for young people, compared to retirees and aging adults, the [INAUDIBLE] die, right. But 27% to 21%, it's not [INAUDIBLE].

**DeBOER:** And some of that, we also have outmigration.

**JOSIE SCHAFFER:** Right.

**DeBOER:** OK. Thank you. Welcome.

**KATIE BASS:** Thank you. I'm Katie Bass. I think I've, I've met most of you. I'm the data and policy research advisor for First Five Nebraska. And First Five Nebraska really does focus on those first 5 years and looking at early care. So I'm going to talk to you a little bit about the data, what we know, kind of where we were pre-COVID and what's happened since then, I think is a good way to sort of set things up

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when we're talking about early care and education. So I'm sure for-- several of you have seen our earlier reports that came out. We had 2 big, seminal pieces of research come out in 2020. The first one was commissioned by First Five Nebraska to the Bureau of Economic Research at UNL, and asked, what's the economic impact of childcare shortages in Nebraska? And so they did a wonderful report for us, and really showed that the direct impact is about \$745 million per year for childcare. Right. And that's measured by looking at how much parent income is lost because of absenteeism, because of changing jobs, how much business productivity is lost every time you have to leave because you don't have childcare. And then, those 2 things together reduce our state revenue, right, because that would be taxes not paid in, on income and business product-- productivity. And then they also looked at this and said, what's the multiplier effect from that? Right. Because as everyday Nebraskans have less dollars, they spend less dollars in their communities. And when they're spending less dollars, that means that there are fewer jobs for other people who may not actually need childcare. So the idea here is that it's really all tied together, right? Our economic vitality is tied to whether or not we have childcare options for Nebraska families. At the same time this was happening, the Bipartisan Policy Center conducted a gap analysis of childcare. And this is-- I'm a methodologist and I'll tell you, this is some good methodology. Right. I don't think I could recreate this if I wanted to. They looked at census tracts, how far families have to drive to get childcare, looked at how those might overlap, and said, how many slots are we short? Right. And that's based off of childcare license capacity. And they did this throughout the country in a few states, and Nebraska was one of those states, and said that we are short 112,000 spots, over 112,000 spots. And that's based on the number of children under 6 who have all available parents in the workforce. We just talked about this. Josh did a great job of highlighting that we're really high on that measure. Right. And so these 2 things all play together, and these all came out with research based on 2019 data. Yes.

**DeBOER:** So I look in your, your infographic there, and you have 112,000 people-- children, have potential need for care. We have a supply, and then--

**KATIE BASS:** Oh, I'm sorry. That's right. That's 112 thou--

**DeBOER:** The difference.

**KATIE BASS:** Yes. The difference is the 20,000. I misspoke.

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**DeBOER:** So it's 2 thou-- 20,740 that do not have care.

**KATIE BASS:** Yeah. Yeah.

**DeBOER:** So 20,000 shots-- slots short. Is that correct?

**KATIE BASS:** Yes. Thank you.

**DeBOER:** OK. Yeah.

**KATIE BASS:** I was reading off and scanning.

**DeBOER:** I was freaking out because--

**KATIE BASS:** It's still a lot.

**DeBOER:** --we only have 400,000 kids in Nebraska.

**ARCH:** And, and you, and you use the word potential need.

**KATIE BASS:** Right.

**ARCH:** Why, why do you qualify it?

**KATIE BASS:** I-- we qualify that because not everyone necessarily, who has all available parents in the workforce, will require childcare. You may rely on a family member.

**ARCH:** OK. That's what I was-- I was thinking grandparents oftentime--

**KATIE BASS:** Exactly. We do see that happen.

**ARCH:** --take care of half of it or something, or you know.

**KATIE BASS:** Exactly. I also know because I do a lot of work in subsidy. If you have one parent who works first shift and the other parent who works second shift, you would not get approved for subsidy care because somebody is home. Right. Parents make arrangements as need be if they can't find childcare. So we want to be careful that we qualify that, and say not everyone needs a traditional, licensed childcare. And-- but I will also say that this number of childcare slots includes our license-exempt providers, it includes all of our military providers through Offutt, and it includes some of those nontraditional care sources, as well, when they did this analysis. It's a really in-depth analysis.

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**DeBOER:** So the only thing that it wouldn't account for in terms of the available slots would be the-- if a grandparent or an aunt or somebody who is not otherwise employed would--

**KATIE BASS:** Right.

**DeBOER:** --be a full time caregiver for a child.

**KATIE BASS:** Or if parents are managing, or--

**DeBOER:** Switching off.

**KATIE BASS:** --something that we've heard from providers is that they'll ask older children to do the care, because they simply can't afford it. Yeah. So there are other ways, right? We know that these parents are still working, so they're finding other ways to do this. Our question is then, what's the setting? What kind of care, and is that high quality?

**DeBOER:** But for 6%, they're not finding somebody to do it.

**KATIE BASS:** Right. And there's even more recent research out of UNMC. They did the Kidsights Data Project, where they asked children-- parents of children 0 to 5-- it's actually a developmental survey. But they ask those parents whether or not they had trouble-- had trouble at work because of childcare. And that was defined as needing to leave jobs, right, needing to reduce hours. And 18% said yes.

**DeBOER:** OK.

**KATIE BASS:** Right. And that's, that's brand new. That research just came out so it wouldn't be reflected in the census data. So one of the things that we have looked at or that we've traditionally looked at as a measure of how much childcare we have, and we did this-- you know, this is what they did for that gap study, is the number of licensed slots, right. What's our capacity? I'm going to say that that is maybe not the best measure. And the reason is that you are licensed, if you are a childcare center, based on your square footage. It has nothing to do with the number of classrooms that you have or the number of staff you have for those classrooms, despite being held to licensing requirements about ratios. And so what I wanted to look at, was what are our number of actual childcares available in the state. And so, with the help of my fantastic data analyst, Sara Brady, we kind of mapped out what is the change since 2020. Because we know-- we knew we were already in a crisis point. So we-- as counties become darker

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purple, that means they've lost. If they become green that means they gained childcares. So as we move from 2021, now we're looking to 2022, and then 2023.

**DeBOER:** So are these changes, changes in the square footage of childcare centers or changes in slots available for children?

**KATIE BASS:** This is changes in the number of providers, just the number of businesses that are providing licensed childcare.

**DeBOER:** Got it.

**HOLDCROFT:** So are they going out of business? Is that why they're declining?

**KATIE BASS:** Some are. In some areas, we've seen-- we have efforts like communities for kids that are building up supply in counties. So we do see some increasing. Others are going out of business or choosing not to remain in bus-- in business. And I want to highlight a particular subgroup here, and that's family childcare providers. Because we were mentioning the differences that we might experience in urban and rural, so I wanted to map out what does this look like for family childcare providers. So these are individuals who are licensed to provide care in their home, usually for anywhere from 10-14 children, depending on if they have an assistant teacher who helps them and the ages of the children that they're serving. It can change. And I think this is critical when we talk about rural childcare, because as you can see, the numbers are dropping pretty substantially in family childcare providers. And I bring this up because centers can be expensive to run and you have to have employees to run them. They also are more costly for families. And so, when we lose a lot of our family childcare providers, we're often losing our most cost-effective and most nimble source of childcare. Yes.

**ARCH:** Do our regulations play any role in driving families out of, out of doing those-- that child care?

**KATIE BASS:** Out of family-- do you mean out of people providing?

**ARCH:** Are we making it more-- are we making it more difficult for family childcare homes? And as a result of us making it more difficult, they're dropping out.

**KATIE BASS:** I think that might-- may play a contributing factor. And we can talk about some of those regulations. The other thing that we

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have found is that this is an aging population, that our family childcare providers are older. And with COVID and with just behavior changes that have happened in young children recently--

**ARCH:** True.

**KATIE BASS:** --that if it was close to retirement time, they're going to go ahead and take it now. Right. Yes.

**VARGAS:** I don't know. And it's kind of along the same lines in the question. But you may not have this right away, but we have the numbers of the average wage within like a center, right--

**KATIE BASS:** Yeah.

**VARGAS:** --which is \$13 or something--

**KATIE BASS:** Yep. I'm with you. We'll talk about that in a moment. Yeah.

**VARGAS:** --yeah--which will tell you-- which will tell you like a very clear, like you can work at Costco and have like a better quality of life than-- and, and will make \$3, \$4, \$5 an hour more than having a degree and being in a childcare center. But I was curious about, you know, tangentially, we've had a couple of bills over the years looking at the family childcare centers. And I didn't know how much of it was after like all the take-- like what you take home, right, like-- and what you're actually making for also, that older population, if you have any data on, on sort of that, for small businesses.

**KATIE BASS:** I don't have that. We've done some work recently on a kind of cost model for childcare, which included working with some national experts that would come in, and they would ask family childcare providers, like, how much do you pay yourself? And what we found is they typically don't pay themselves a salary. It's just whatever happens to be leftover, which makes that a, a hard, long-term investment. Yeah, you're absolutely right there.

**ARCH:** Just, just anecdotally--

**KATIE BASS:** Yeah.

**ARCH:** --and, and you may cover this later, but I had a conversation yesterday with a childcare provider, who said one of the consequences of us, in our policy, increasing the eligibility for public support

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for childcare has been the decrease in population in their childcare center, to the point now that they're upside down. I mean, I say, I say that only to say that--

**DeBOER:** More of them are on subsidy, is what you're saying.

**ARCH:** Exactly. And our actions, our actions do impact childcare availability. And while well-intentioned--

**KATIE BASS:** Right.

**ARCH:** --it, it, it has consequences, as well.

**DeBOER:** So you're--

**KATIE BASS:** Oh go ahead, Senator DeBoer. I'm sorry.

**DeBOER:** That's OK. So you're saying that because we have increased the number of children who are getting the subsidy, and because the subsidy is reimbursed to childcare providers at such a low rate--

**ARCH:** Correct.

**DeBOER:** --as opposed to the market rate.

**ARCH:** Correct.

**KATIE BASS:** Right. I, I, I--

**ARCH:** They were-- they were self-pay-- they were self-pay at one point. And now they have become subsidized pay, which decreased or at times, they actually moved to a different provider as a result. Because a lot of the-- a lot of the private providers can only do so much.

**KATIE BASS:** Yes.

**ARCH:** --of that-- of that--

**DeBOER:** Because we reim--

**ARCH:** --public-funded slots.

**DeBOER:** --because we reimburse it at such a low rate.

**ARCH:** Exactly.

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**DeBOER:** Yeah.

**VARGAS:** Those darn reimbursement rates, childcare providers, and workforce.

**ARCH:** Did you talk to Senator Clements?

**VARGAS:** He's just been [INAUDIBLE] into the 8 of us. He's going to--

**IBACH:** I sat in on a CDA roundtable yesterday in Omaha and La Vista, actually, and they made the comment that for centers that aren't home-based, 70% of their costs are wages.

**KATIE BASS:** Yes. That-- I have that in here, too. That is correct.

**IBACH:** That's a number that kind of sticks in my brain, because--

**KATIE BASS:** And it's-- and those are very low wages.

**IBACH:** Yeah.

**KATIE BASS:** Right. So--

**IBACH:** [INAUDIBLE] how we may have to bridge that.

**KATIE BASS:** --yeah. You're absolutely right.

**VARGAS:** Wow. I, I--

**DeBOER:** I may have an interim study in--

**VARGAS:** As a--

**KATIE BASS:** Next week.

**DeBOER:**--[INAUDIBLE] about this very topic, Senator Arch.

**VARGAS:** Did you-- as-- and, and and hopefully, you all can appreciate this because I think I might be the only one right now with, with little ones. That is 3-- \$3,000 a month--

**KATIE BASS:** Yeah.

**VARGAS:** --is what we are paying for our 2 kids, in ((a modest home)) and like, you know, in a-- and it's-- like this is a conversation I had with every single-- every single parent that has kids--

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**KATIE BASS:** Yes.

**VARGAS:** --under the age of--

**DeBOER:** Yeah.

**VARGAS:** And if-- I wish I had grandparents that were around. That would be-- that would be great, trust me, unless any of you want to step in and help out. Takers?

**DeBOER:** I mean, they're kids.

**VARGAS:** OK. But, I mean, that's-- and then that's the bigger problem. It just is. It's getting--

**KATIE BASS:** Right.

**VARGAS:** --with decreased wages or the sag with with the median household income lowering and with the cost of everything else increasing, they're going to keep their prices the same or they're going to increase them, just simply because they have to [INAUDIBLE]-- what did you say?

**KATIE BASS:** It's the second one, they're probably going to increase them.

**VARGAS:** Oh, it's the second-- yeah. They're going to increase their-- they're going to increase their prices.

**DeBOER:** I mean, you probably have some more, but folks will tell me, when I was working on childcare, that oftentimes, their childcare payment is higher than their mortgage.

**KATIE BASS:** Absolutely. I got, I got a couple slides on that, too.

**DeBOER:** Yeah. No. OK.

**KATIE BASS:** Yeah.

**DeBOER:** Sorry.

**KATIE BASS:** Well, so here's just a graphical representation of kind of the big 3, and then, greater Nebraska, when we look at what has happened with the supply of childcare. So this is the same thing that I just showed you in those graphics by county, just kind of looking at it broadly. And so, now I'm going to switch from home-based to the

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childcare centers. Because if you look at this, our childcare centers which are on the far left of both of these 2 charts, have either stayed pretty stagnant or even increased a little bit. Right. So that should mean we have a larger supply, ideally, of childcare. Right? A childcare center could be licensed for 120 kiddos. That's very different than the 12 you would get in a family childcare. However, in order to serve those kiddos, you have to be fully staffed, right? So we can build centers, but if we don't have workers for those centers, we're still going to be serving fewer children. And that's what I want to talk about next, is what do we see in the workforce for childcare? Now I will tell you I'm going to use some language here that is representative of what the Bureau of Labor Statistics use. We never say childcare workers. We usually say early childhood educators, but that's how they're coded, which also gets into a whole thing. Right? They're coded, coded as social servicers, not as educators. Right. But, what we have seen, since 2018, here, obviously we took a hit in 2020 and 2021 like most industries. We're starting to see this increase in childcare workers in the childcare workforce come back in 2022, but it's not enough. And the reason I say it's not enough is that when we compare all Nebraska workers, 2018-2022, we are at 99% capacity, right, from what we were in 2018. When we look at the childcare workforce, we're at 88%. So what this means is, in 2018, we had 9.3 child care workers for every 1,000 Nebraska workers, and now we only have 8.3. So we can open all the centers we want, but if we don't have enough staff to meet those ratios and to staff them, we will serve fewer children. So let's talk about some of the things you all just mentioned. Yes.

**VARGAS:** Are you seeing-- and forgive me because I don't know if there's any programs like this in, in our-- in our state, where-- are we incentivizing any employer-created childcare facilities, and it doesn't address the workforce issue. But I mean, they-- I, I think about this because the CHIPS Act that just passed included a provision that if you are making a CHIPS facility across the country and you-- you're applying for more than \$150 million, you have to have, in your plan, a childcare facility.

**KATIE BASS:** Right.

**VARGAS:** And I just don't know if we have anything on the books like that, either like in a [INAUDIBLE]--

**KATIE BASS:** We do.

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**VARGAS:** --oh, we do? OK. Wonderful.

**KATIE BASS:** We do. DHHS has, they are called Business and Child Care Partnership Grants. So they do exist. And I do have some data that I can share. I don't have it in here, but I could share that with you later, about the sort of uptake on that. Yeah.

**VARGAS:** Thank you.

**KATIE BASS:** So it does exist. So let's talk about why maybe people are leaving workforce in a-- childcare workforce. And I think you've already hinted to this. You probably-- you know exactly where I'm going. Right? This is a wage issue. When we look at the wages of the childcare workforce compared to the median age-- or the median childcare-- or the median Nebraska occupation, and I want to be very clear, this is not administrators. These are the individuals who are working with the kiddos, day in and day out, and they're the ones who are working in childcare centers. Because if you're self-employed, you don't show up in the Bureau of Labor Statistics, right, because you're not purchasing insurance-- unemployment insurance. So this is specific to that work, that is-- or those, those folks who are working in licensed childcare centers. And their wages did not move for several years. Right. 2018-2021, we barely saw any change in wages in that group. But in 2022, we have seen an increase of about \$2 an hour. This is-- I mean, this is huge. It's still below that \$15 minimum wage that we're moving towards. Right. And I will say that while I don't have data that can exactly say that this is why, we do know that some of the grants with COVID funds included stipulations that some of that money had to go directly to the workforce at your childcare center. And so, while I cannot tell you if ones who got the grant paid more and ones who didn't paid less, my assumption is that those 2 things are connected, this increase in wages. The other thing that I'm hearing from providers is that they have to keep paying more because they cannot keep up. And it is, I wouldn't just say affecting their bottom line because that-- when your bottom line is already thin, it's affecting their ability to operate.

**DeBOER:** It looks like the difference between a-- all Nebraska occupations and a childcare worker in 2018 was \$7.03, and now it's \$7.86, and that's after this boost in 2022.

**KATIE BASS:** Right.

**DeBOER:** So there's--

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**KATIE BASS:** The gap has increased.

**DeBOER:** OK.

**KATIE BASS:** Right.

**HOLDCROFT:** What are the requirements to be a childcare worker, as far as certification.?

**KATIE BASS:** There are no--

**HOLDCROFT:** So it's-- could be anybody walking off the street.

**KATIE BASS:** Right. You, you would have to pass the licensing background checks. Right. But you can-- where-- I think you have to be 16, right, if you're working with an adult there, or 18 if you are on your own. We do encourage [INAUDIBLE] training, etcetera, and that-- some training is required as part of a licensing agreement, but to start the work, not necessarily.

**ELIZABETH EVERETT:** You, you have to be 16 to be an assistant, to be [INAUDIBLE] leads teacher, you have to be at least 19 years or older.

**KATIE BASS:** 19. Right. Nebraska is 19.

**DeBOER:** And what is required in that licensing? They just do a background check on you and make sure you don't have any--

**IBACH:** Criminal background.

**KATIE BASS:** Criminal background check and a registry check.

**DeBOER:** OK.

**KATIE BASS:** Yep.

**ELIZABETH EVERETT:** Or-- yeah. So for a 16-year-old, all you have to do is pass the background check and you can be an assistant teacher. For a leads teacher, you have to go through additional requirements. So you have to have, for instance, one of the following. You have to have a [INAUDIBLE], you have to have your bachelor's/associate's degree in early childhood education of some sort, you have to have a preplanned approval by the Department, to say that you are focusing on early childhood education, and you have to meet certain safety requirements.[INAUDIBLE] But only in a licensed, and only in a licensed facility.

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**DeBOER:** That's, that's for the lead teacher in the license.

**ELIZABETH EVERETT:** That's correct, for a leads teacher, yes. And then for a director, they have a similar thing, as well.

**DeBOER:** OK.

**JOSIE SCHAFFER:** I don't think that's like every room, necessarily.

**KATIE BASS:** No. Right.

**JOSIE SCHAFFER:** So there could be one licensed teacher for a whole facility--

**KATIE BASS:** Right.

**JOSIE SCHAFFER:** --but that wouldn't necessarily mean that she is in the room.

**KATIE BASS:** Yeah. That is correct.

**ARCH:** So wages are a value equation--

**KATIE BASS:** I would agree.

**ARCH:** --in a worker's mind. I am willing to do this job for X. And there are intangibles in every job.

**KATIE BASS:** Yep.

**ARCH:** I so enjoy this job that I am actually willing to work for less. I don't want to work at Costco.

**KATIE BASS:** Right.

**ARCH:** Even though they would pay me more, I don't want to work at Costco. But when the value equation starts to tip, then you can't get workers for that wage.

**KATIE BASS:** And I think that's exactly what we're seeing.

**ARCH:** And I-- you know, you mentioned behavior previously. And I'm-- I think of teachers. And I think we're seeing some of that with teachers. You can't pay me enough to work in that environment.

**KATIE BASS:** You are-- I, I think you are right. Absolutely right.

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**ARCH:** You know, so, so no matter-- I mean, we can look-- we can look at it, but it's not, it's not a simple equation. There's-- there are intangibles in that negotiated amount. If I-- if I'm not getting-- I mean I love children and I want-- I just want to work-- I want to take care of babies. I want to take care-- I just love children.

**KATIE BASS:** Um-hum.

**ARCH:** That's intangible. Those-- and I love, I love elderly. I want to work in a nursing home, you know. Those are intangibles that would attract somebody to the job. It's not all wages, but what-- but it's a value equation.

**KATIE BASS:** It, it absolutely is. But what I would say to that, though, is at what point do we make it unlivable?

**ARCH:** Right.

**KATIE BASS:** And--

**ARCH:** No, that's true.

**KATIE BASS:** And what is-- there's 2 sources here that I think are really important. Yale is about to release their national survey of childcare providers, and it includes a subset of Nebraska providers. Unfortunately, the new director of BECI used to be on that project, so he was able to, at the most recent "Thriving" conference, preview some of that, that data. And the number one reason why people are leaving is because the pay is too low. Right. They're saying they want to stay. And I think-- I'm-- Sara, you're here. I have it somewhere in here. But one of the questions they asked in that survey was, well, how much more would you need to get paid to stay?

**ARCH:** Yeah. Good question.

**KATIE BASS:** And it was about \$3,000 a year, was where you saw the biggest jump. Like there was a small group that said, for \$500, I would do it, right, but the-- where you actually saw that sort of tipping point.

**ARCH:** So assuming, so assuming full time, you're about a buck and a half an hour.

**KATIE BASS:** Right, right. It's the difference between livable and unlivable.

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**DeBOER:** Well, and arguably, if you're talking about your calculation of, you know, there's an intangible, obviously there is or none of us would do this job for \$12,000 a year.

**KATIE BASS:** Fair enough.

**VARGAS:** Wow. [INAUDIBLE] because of the means.

**DeBOER:** But, but that they're-- but that would arguably be constant in a population that the-- that those intangibles would continue to exist, so that if you shifted, even though the intangibles would continue to exist if you shifted the wage, that would change the calculation to the extent [INAUDIBLE].

**ARCH:** Oh, absolutely.

**DeBOER:** Like if we paid teachers enough, they would do it, even though they say, I will never work with these children again. But if you paid them enough, they would. I mean, if you said, OK, \$1 million a year, they would probably do it. I'm just saying there's a point.

**ARCH:** Yeah. There is, there is a point.

**DeBOER:** Or enough other people would backfill from--

**IBACH:** Yes.

**DeBOER:** --other industries.

**ARCH:** Yeah.

**DeBOER:** So there's a--

**KATIE BASS:** Yeah.

**DeBOER:** Because we had the same problem with corrections workers. They said, it's not-- it's not the pay. It's not the pay. And then, we raised the pay and suddenly we have enough people.

**KATIE BASS:** So, I'm so glad you mentioned corrections workers, Senator DeBoer, because I had requested this analysis from the Department of Labor, of who was in the childcare industry at the first quarter of 2021 and then who's still there in 2022. We did the same thing, 2022-2023. And I was like, I send it out over email and like, hey everyone. Our turnover rate dropped by 30%. And they said, it's still higher than corrections. So let's, let's use that context. Right. It's

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still higher than corrections is. And it's higher than corrections was before the change, right.

**DeBOER:** Before the change. Oh. Oh.

**KATIE BASS:** So this is what our childcare providers are trying to manage, are those who hold the licenses and are trying to staff and think about the additional costs that come from trying to fill those positions. Right. You've got training requirements. We can certainly talk about fingerprints, right. We had, in 2022, when I most recently requested data from the department, they were running 600 fingerprint checks a month. A month, for childcare. And the time it takes to get those back, you're probably going to find another job while you're waiting. Right. And that was actually one of the things that a provider survey that came out from BECI, that was just in for Nebraska providers, that was one of their top 5 reasons why they couldn't hire someone, is it took too long for the fingerprints. The rest was just what we've talked about. They couldn't pay a high enough wage, and sometimes they couldn't find anybody qualified. They don't just need to get the background check. They need to pass the background check.

**IBACH:** I worked at Boys Town, where they do their own fingerprinting--

**VARGAS:** Yeah.

**IBACH:** --which is a huge advantage.

**KATIE BASS:** And all of these expenses, too, right, you just said 70% later-- labor costs. And nationally, what we see is it's between 60 and 80% is what is-- goes to labor. And this is important because childcare cannot be automated. Right. This is a high touch, and when we talk about childcare, we talk about quality. Quality, more than anything, is about how you're interacting with children, right, and how frequently you're doing that. There's a reason it's high touch, and it's because that's a return on investments. Right. And so this is what our ratios look like, the requirements of teachers to children, which would explain why you often hear people talk about infant slots being hard to come by, because infants have a higher ratio, right. Same thing with toddlers. You need 1 teacher to every 4 infants, 1 teacher to every 6 toddlers.

**DeBOER:** Does that include those assistant, like 16-year-old non-lead?

**KATIE BASS:** They-- yes.

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**DeBOER:** OK.

**KATIE BASS:** They, they can be a nonlead teacher.

**DeBOER:** Got it. Thank you.

**KATIE BASS:** Yes. It's the total number of staff that are present.

**DeBOER:** "Ish" staff.

**HOLDCROFT:** And the definition of toddler versus infant?

**KATIE BASS:** So in Nebraska, an infant is 6 weeks to 18 months, and in-- toddler is 18 months to 3 years. This-- yeah. This is based off the licensing regulations, is how I'm lining this up.

**ARCH:** What are they before 6 weeks?

**KATIE BASS:** They are not allowed to be in licensed childcare.

**ARCH:** OK. They're still an infant.

**KATIE BASS:** Yes.

**ARCH:** I thought they, they don't exist or something.

**VARGAS:** [INAUDIBLE].

**HOLDCROFT:** [INAUDIBLE].

**ARCH:** Invisible.

**KATIE BASS:** But, I mean, we have to-- we've heard those stories, too. Moms who need to go back to work at 2 weeks, 3 weeks, they legally cannot leave their children in a licensed childcare.

**JOSIE SCHAFFER:** And it's very hard to find 6, 6 week care. Very hard.

**KATIE BASS:** Very difficult.

**ARCH:** And if you do, it's really expensive.

**KATIE BASS:** And you also want to feel safe and secure in that. Right. Let's not eliminate that quality element. Right. I can remember when we first moved back here, there were 2 childcares very close to my home. And I went in one, and then I went in the second one. And I was

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like, I can't afford it, but I'm going to figure out how to get her in this other one. It was apparent the moment I walked in that I was going to make some sacrifices. And that included-- that was do we need to ask family for help? Right, because that matters. So this translates, then-- this is what's important. You said it's expensive to get infant care. It translates to how much we typically charge families, too. And so, what this is, is the monthly childcare price at the 75th percentile of the 2023 market rate survey. OK. And so the 75th percentile means that 75% of providers charge this rate or less. We picked this over the median because we're talking about quality here, right. We also want to talk about access. You don't want to only be able to access the bottom half, right, if you're a parent. You want to be able to access a little higher than that. But childcare can be very expensive, right, so we didn't go all the way to the hundredth.

**VARGAS:** This is undercounted, too, because then you-- they will add on. If you want hot meals--.

**KATIE BASS:** Yep.

**VARGAS:** --like, if you want cold meals, you have to add on a weekly price to that. If you want to do the, the over the lunch, you know, this club, this club, this class, this extra class, it's more money. Otherwise your kid isn't getting those things.

**KATIE BASS:** Right. I, I can remember purchasing cots, like I had to purchase the cot that she would sleep on.

**VARGAS:** It's nothing against them. They have--

**KATIE BASS:** They have to.

**VARGAS:** They are-- they have, they have to. This is a [INAUDIBLE].

**KATIE BASS:** So this is what those prices look like. And some of you have maybe emailed me before and asked me for an average price of childcare. Some of you have maybe emailed my colleagues who then emailed me, and every time I say no, I'm not telling you an average price of childcare, and the reason is there's no such thing. It depends on the age of the child and the setting that you choose. Right. There is no way we can say, on average, a parent plays-- pays this much. Because I'll tell you what. When my child started school and now only does after school care, that is the biggest raise I've ever gotten in my entire life. Right. But when I had an infant, that price was very different. Birthdays are always something to be

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celebrated, generally. But when you have a child in childcare, you're like, yes. \$20 less a month. Right. That's the realistic pricing of childcare. There is no such thing as an average price. It depends on too many factors. And so, again, let's swing back really quickly to the idea that family childcare is the least expensive option for families, and it's also our largest source of dwindling supply. Right. OK. So what does this look like? You have this here for your costs for-- this is relative to a median household income for families with children. Now, what's fun is that my-- one of my colleagues said, should we also do this for a single parent? And I said, we can't, because that single parent would likely qualify for a subsidy, because that's how low our median wages are for single mothers, as we've just mentioned. And actually, a single mother with 1 child does not qualify for a subsidy. She would be \$200-- she would make just over \$100 too much to qualify for subsidy, at \$35,000-- just over \$35,000 a year. And her childcare cost would be about 25% of her income at the cheapest option. So I know we're kind of past the hour mark, so I want to keep--

**VARGAS:** So 25%?

**KATIE BASS:** Yeah, right about there. I think I wrote this in here. Oh, 27% to be exact, at a-- for an infant and a childcare center. That's 27% of her paycheck in a rural area and 42% in an urban area. All right, so, I bring subsidy up here, too. We use this map a lot, that kind of maps out the number of children by legislative district who are in families that are at or below 185% of the poverty level. That measure is pretty common. We see it used-- well, one, we use it for subsidy now. We have not his-- historically. And it's also what we use for free and reduced lunch in school. It's been generally used as an, an indicator of where a family becomes at risk for falling behind in educational settings. Right. Now, that doesn't mean low income equals poor educational outcomes. It just means that the risk factors get higher at that level. And I'm going to skip this one because we've already talked about this percentage of children under 6 with all parents in the labor force, so I'm not going to spend a lot of time here. But what I want you to know is that Nebraska's always at the-- in the top 10, right. In fact, I think we're 6 now, and that's the lowest we've been in, in years. And our numbers for single mothers are even higher. It's about 80% in the workforce, if they have children under 6, or in the label-- labor force. So I'm going to end with just a, a note here on quality, right. When we talk about quality at First Five, we talk about an atmosphere that's safe, stable, nurturing and stimulating. And that can happen anywhere. Right. Quality can happen

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in all sorts of different environments. The measure that we see most commonly used in, in the state is our quality rating and improvement system, Step Up to Quality. And we have seen an increase in providers enrolling in Step Up to Quality, which does provide coaching services, helping increase quality. We also tie a lot of incentives to enrolling in Step Up to Quality. Some of the tax credits that were recently passed or-- and that we used to have, were tied to Step Up to Quality, not just enrollment, but also where you're at in the system. But one of the things that we hear roundly at-- is that quality is expensive, right. It involves extra training for your staff. It involves materials, well beyond meeting licensing standards. And so even though we have seen an increase in providers enrolling in Step Up to Quality, I would want to note that only about 25% at any given moment make it to that step 3 or higher. Right. And this isn't because they're not providing a quality environment. It's because quality is expensive, in the way that-- and meeting that is difficult. And I think that's all I have for you today.

**DeBOER:** Are there any questions? Thank you very much.

**KATIE BASS:** Thank you.

**DeBOER:** Is that all the presentations we have today?

**JOSIE SCHAFFER:** That is all the presentations we have.

**DeBOER:** Perfect. Wonderful. So let's talk about this for a second. I will mention since I sent it to you, I have a-- we, in 2020, increased our provider rate, or our childcare subsidies with federal funds entirely, from 125% of federal poverty level to 185% of federal poverty level. That doesn't mean you get the same amount if you're at 125% as at 185%, because you still pay 7% of your income into the childcare. So, it's a subsidy in addition to that. So you still have to pay 7%. We extended that program to last-- it would, it would have been expired by now. And we extended it, this year, to go until '26.

**JOSIE SCHAFFER:** Yeah.

**DeBOER:** We're doing a study to look at how that affects, sort of, participation in the workforce and that sort of thing.

**ARCH:** Because that was-- when this came to HHS back then, that was, that was the question. I mean, it's like the, the intent is to help families get into the workforce. And then the question was, well, did it? And, and when we wrote the, when we wrote the bill, we put in a, a

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condition that there was going to be that research, which was not done, and we needed to extend it.

**DeBOER:** Yes. So we have some research which is coming on that. It just wasn't able to be done based on all the things that were happening in that time period by this, by this last year. So we extended it so we can get that information. And it wasn't just, can they participate, but can they take advances? Because one of the things we wanted to be careful about is that cliff effect, where if you take an advance at work, now you're going to lose your childcare subsidy, or if you work extra hours, now you're going to lose your childcare subsidy. So financially, you're actually worse off to take a better, more responsible job. And we don't want to-- we don't want to disincentivize people from advancing in their career and doing better. So we wanted to make sure that we had a, a way to, to sort of keep them going up in their career without disincentivizing them. And so that was that move up to 185. And we'll see, we'll see the data and what that says--

**JOSIE SCHAFFER:** July 1st.

**DeBOER:** --July--

**JOSIE SCHAFFER:** Of '24.

**DeBOER:** July 1st of '24? We'll get that.

**JOSIE SCHAFFER:** So it's coming.

**DeBOER:** So that's a piece that's, that's happening in terms of our childcare subsidies, which is federal funding. So I also have a interim study this year, in HHS, which I don't-- do you guys remember?

**JOSIE SCHAFFER:** LR151.

**DeBOER:** What day?

**JOSIE SCHAFFER:** October 11th.

**DeBOER:** October 11th, if you're interested in the-- which we'll talk about the way in which we determined how to pay the childcare centers for providing child subs-- childcare subsidy childcare. So that's why when you were talking to the person, it's like anything, I think I know just enough to be dangerous and probably wrong about how we reimburse medical providers, federally. But if you have too big of a

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portion of your folks on those reimbursed systems, then it's hard for you because they reimburse at a level below the market.

**ARCH:** And they, and they reimburse in arrears.

**DeBOER:** In arrears.

**ARCH:** And so you're, you're floating. You're, you're-- you know, the margins are very thin.

**DeBOER:** You're floating for a lower amount of money.

**ARCH:** You're, you're floating the state.

**DeBOER:** Yeah. And that-- that's a similar kind of situation that we have with the child care subsidy, so that only a certain-- if you're a center, you can only take a certain percentage of folks that are on that. So that makes it more difficult to find availability for those folks who probably need it the most, to find those available centers.

**ARCH:** Is that, is that hearing open to public testimony?

**DeBOER:** Yeah, I think, I think we've left it open. Yeah. I think we're going to have invited testimony and then public testimony, is how we decided to do it. Yeah. Which, which hopefully, the people on HHS aren't going to be too mad at me about, but I think it was important for everybody to.

**IBACH:** I don't think they are, because they mentioned LR251 and LR151 both yesterday.

**DeBOER:** OK.

**IBACH:** Thank you.

**DeBOER:** But anyway, that's coming up. So that, that will--

**ARCH:** Do you have the-- do you have the LR number on that?

**IZABEL REYNOLDS:** Yeah I believe it is LR151.

**ARCH:** LR151. OK. Thank you.

**JOSH SHIRK:** Yeah.

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**DeBOER:** So that will sort of dovetail into this conversation and give us more data. And I can update the committee when I get-- when we have that committee on sort of what happened on that, so that you all have that information. So maybe one of you could speak to-- we saw it a little bit in your, in your slides, but could speak to the different kinds of concerns for rural versus urban. You know, we know we're short in rural and we're short in urban. But are there different reasons or solutions or ideas around urban versus rural, in terms of getting more childcare slots and getting affordable childcare slots?

**KATIE BASS:** It's interesting that you say that because we do have these tools, you know, that we're doing the LR on, that talk about how much does it cost to provide care. And I was recently debuting those and kind of working through the steps at a conference that included providers. And our rural providers were like, why is there a difference? It doesn't actually cost me less to provide anything anymore, because my rent is high and because wages are between 60% and 80% of the cost, they didn't see much difference in how much it costs them-- their end, to provide care.

**DeBOER:** So we're more significantly underpaying rural folks for the same service.

**KATIE BASS:** We pay them quite a bit less for the same service because of how we reimburse. So we-- the way we do this is very strange, right-- the-- that there are 4 counties that are designated urban. And you'll never guess the fourth, right. You know the 3. It's Douglas, Lancaster, Sarpay. The fourth one is Dakota. That's the face I made when I first started working in this area, and it's because of its proximity to Sioux City. Everything else is considered rural.

**IBACH:** It's an official metro county.

**KATIE BASS:** Yeah. Yep. So everything else is considered rural. I've talked to a lot of providers out of Fremont who say, like, that's not fair to me. Right. Like, Grand Island, Kearney say that, that they're getting reimbursed substantially less than everyone else.

**DeBOER:** Is there a difference, though, in terms of if we're looking structurally at getting more centers opened, whatever. I would imagine it would be harder to find workers in the rural areas. Is that true?

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**KATIE BASS:** Yeah. Elizabeth, do you know much about what they're doing with C4K, if there's different approaches they take with urban and rural?

**ELIZABETH EVERETT:** Yeah. So C4K is a program that's run through Communities With Kids, through Nebraska Children and Families Foundation. Right now, they are specifically focusing on rural communities because they have a real difficult time opening up, not only finding the staff to do so but also, the cost of opening up a center is extremely expensive. And right now, there's not a lot of supports to do so. So like departments don't really give out infrastructure [INAUDIBLE] program. You basically have to do [INAUDIBLE] to open up something. And for the most part, like Katie mentioned, when you have [INAUDIBLE] that are an aging population, you're not going to see a lot of them want to open up a new program if they're not already existing. Don't open up a center, especially in rural Nebraska where the capital might not be there, it's extremely hard to do so.

**IBACH:** We're experiencing that in Gothenburg right now because they have an impact center that's opening up. And they're struggling. They've only gotten \$157,000 from the state. And their infrastructure costs are, are what's really tying their arms. But the thing that they did well in that community is they, for 5 years, they surveyed what they needed. And the 3 in-home providers are all moving to the impact center as directors, as leaders, as accountants, and using the strengths that they have in their in-home daycare to impact the impact center. And so I think if there were models out there that we could use as a standard, it would help us in more rural communities. Even when you look at some of those maps in my district, and we're not only short employee-- or short centers-- employees, but we're also short centers. And so, Gothenburg does it very well, and they, they kind of use the standard throughout [INAUDIBLE] to develop their plan. But the one place that we're very, very short is infrastructure. And so, that's kind of one of my goals, too, is to somehow-- NIFA was very helpful in identifying some of the places that they can and can't, more can't help, but if we could come up with, with a, with a plan moving forward to help with that infrastructure, that's a big deal.

\_\_\_\_\_ : There is a white paper circulating by Jeff Yost at the Nebraska Community Foundation about using foundation and fundraising dollars, as well as some of the sort of quasi-government financing structures that NIFA uses to open childcare centers. Right. Those sort of public-private partnership ideas really haven't applied

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to childcare centers because we figure like, it's a private market and they're going to open. I think it's an interesting funding model, but more importantly, what it says is that there is this real demand for these childcare centers in rural Nebraska and do not have funding sources to bring them to life and market rates aren't going to [INAUDIBLE].

**DeBOER:** So is the bigger problem in rural Nebraska access or affordability?

\_\_\_\_\_ : Don't think we can have one without the other. Honestly, I think it's both.

**DeBOER:** And then in Neb- in the rur-- in the urban areas, my guess would be they have more availability, but there's probably just as much-- more demand so does it--

**KATIE BASS:** Yeah. There-- I mean, I think you still have the access problem in urban areas, especially for those younger carers, right. Because what happens is when, when you're a provider, you sort of-- you make your money on those school-age kids and those older kids where you have the lower ratios, and so it restricts those numbers. So while you can probably pretty easily find preschool care and above in your metro areas, you're going to have the same problems with infant and toddler care that we see in the rural areas. So it's, it's a little bit disjointed, but it-- this-- the issue is the age group, and then there's the affordability. I mean, that is also huge.

**ELIZABETH EVERETT:** But I, I would say, though, that it all comes back also to workforce, right. So if you don't have a workforce like affordability and capacity, you're not going to be, even be brought up as issues, as a capacity is tied directly to [INAUDIBLE]. And so, we have programs in rural Nebraska, for instance, that have infrastructure, built incredible programs, where we're seeing attrition rates because they're not able to keep their directors and their assistant teachers because they're leaving for other areas and becoming [INAUDIBLE], K12 educators instead, where they can make a lot more. There is no, like, path to growth in early childhood care. You can assume that you'll make a minimum, maybe \$15 an hour by 2025. But after that point, unless you're going to continue improving your education, there is no return on investment for you. So unless we do something to really encourage folks to stay in the industry, we will continue to see capacity and affordability issues, as we will continue

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to see childcare providers increasing the costs for parents to afford care, because they're trying to retain the workforce.

**VARGAS:** This is-- go ahead.

**DeBOER:** Is it-- is the workforce-- my presumption from sort of the data you've given is that the childcare workforce would be those who are very young, like 16, 17, 18, 19, maybe up to 25-something, and then those who are much older. Is that-- is that true or is there a lot of folks who are working in childcares, getting whatever amount of money, \$17 an hour or whatever, who are in their 30s and 40s and--

**KATIE BASS:** I think the 16, 17, 18, yes, they're in the workforce, but they're the ones who are coming in, in the afternoons--

**DeBOER:** Yeah.

**KATIE BASS:** --right, because they're in school all day. I think, if I'm remembering correctly, I would have to leave the don't we do have a younger workforce, right. So they're in that like 18-26 range, is the majority of your employees in childcare. Yeah. [INAUDIBLE].

**DeBOER:** And probably primarily women.

**KATIE BASS:** Almost all.

**ELIZABETH EVERETT:** There is no-- there is no consistency to it. So you're having that age range, but you're also seeing that age range [INAUDIBLE] industry, as they are going on, because they're using childcare almost as a stopgap for them, saying I'm going to stay in this field for a couple of months until I figure out what my next move is, and then I'll move.

**DeBOER:** It's the flipping burgers of--

**ELIZABETH EVERETT:** It is.

**VARGAS:** This is the reason why-- it's the reason why I'm worried about people working multiple jobs and the underemployment. Because if our workforce-- put aside the childcare workforce. If our workforce in general means people are getting paid less, they can not afford to pay more for childcare. If the centers or a-- family providers, they would pay them more if they can afford it in their bottom line. And they can't. In-- and in my conversations I've ever had, or any of the data, like they can't-- they can't afford it. I mean, you, you can see like

the better centers, they can start to afford it more, but that's because they, they have higher, basically, right, equivalent of tuition, higher costs. You look at like the Bright Horizons, just really highly certified. And like they-- and it's more expensive, but they're also in like, First National Bank, they're in Union Pacific, like-- so they can make-- they can make it work. But I'm really worried about the underemployment, because that means that people can't afford to pay more towards this. And so that's why I'm-- sometimes, I, I love seeing the, the data that we're, we're really good. Everybody's working. But it's, it's-- quite frankly, what does it matter if everybody's working if they're not getting paid enough to be able to sustain our childcare workforce so that they can get better wages?

**IBACH:** I think you can also, though, look toward partnerships like Hudl-- Hudl, or places that are providing. I think Gothenburg-- I know I keep using them as an example, and, and I apologize if that's too much, but many of their local businesses provide the, the daycare for their employees, like the hospital, like the bank. And so, I think if we could identify models like that, that do work-- not that it's going to work in Hagler, Nebraska, because it's not. But in situations like urban centers, I think there are opportunities to look toward those partnerships.

**VARGAS:** And they, they exist. The issue is that it's few and far between, like the, the wages, the, the cost for the center, between that and the other different types of options is a 30-40% difference in terms of cost. So what I'm really worried about is a middle-class family that maybe may not be working at a Hudl, because or, you know, or a UP, that can't afford it and is making the decision, maybe I should just stay at home, because I'm going to make more staying-- I'm going to make more-- I'm going to save more staying at home, for my 2 kids, under the age of 5 than it is to go into the workforce. But somebody that's at Hudl or somebody that's at UP or somebody's at something, like they'll make enough to be able to pay the amount. I mean, that's-- again, I only know because I was-- used to be at one of the centers that were in some-- in the-- one of these centers. We just paid more. I, I just bring it up because I'm like, I'm still worried about-- I will, I will-- it would be great to see the unemployment, multiple jobs across the state, not by county because we don't have that data, because, like, well, we need to figure out how we increase wages or how we, how we help the private sector, either getting out of the way or helping them more so that they have higher, increased wages. That's why we did it in the Incentive Act. We were

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incentivizing higher wages because if they have higher wages, then they could pay more, and then the childcare workers can actually-- it can increase their wages. But.

**DeBOER:** Yeah. I mean, one of the things, I think, about those kinds of-- folks will say, well, businesses should be providing the childcare for their own workforce. But then you got like, I'm a dentist and I have, you know, a receptionist and 3 dental hygienists, and we all have kids and I can't provide a childcare.

**IBACH:** Um-hum. Or I'm a farmer. I'm self-employed.

**DeBOER:** Or I'm a farmer, or I'm a, you know, whatever. And so, there are going to be those big businesses we can do something with, and then there's going to be a lot of the rest.

**HOLDCROFT:** It's interesting. We just had a summit, Sarpy County Chamber of Commerce did a summit. And they had the developer for what they're calling tower dis-- Tower District, which is 84th Street to 90th, and 370 at Cornhusker, I think. And they designed it as a holistic community, complete with apartments, townhouses, standalone family housing, office facilities, shops, restaurants, all-- I mean, it's, it's a complete package. And part of that was a daycare center. So you can see the-- you could, you could really build almost on your concept with, with a neighborhood, having its own daycare center.

**ELIZABETH EVERETT:** Pretty much only viable in Sarpy County [INAUDIBLE], as like a place people are moving to and building and looking for.

**VARGAS:** And then the median-- and the median household income is, is up in Sarpy County. You guys have been going on good.

\_\_\_\_\_: No, I mean--

**DeBOER:** Sarpy, Sarpy, Sarpy's growing so much.

\_\_\_\_\_: And firms have developed it--

**VARGAS:** No, it's a good deal.

\_\_\_\_\_: --and what people do and incomes and things like that. Sarpy County would be the right place [INAUDIBLE].

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**DeBOER:** Because not everywhere else has, frankly, that land that people are not going to fill up.

**KATIE BASS:** We're not, we're not a particularly dense state. And so, I, I think that's another access issue, right, when we kind of spread out in a lot of places, what is a good location for a daycare center that does make it accessible to a lot of different groups, so that it can be affordable.

**DeBOER:** So you don't have to drive 20 minutes to the next town to put your kids in childcare to come back 20 minutes to your town. So now you've, now you've done 40 minutes to-- you might as well work-- move to the next town over.

**KATIE BASS:** Right, it's another opportunity [INAUDIBLE].

**VARGAS:** But they don't have housing.

**DeBOER:** But they don't have housing, so you can't live there.

**VARGAS:** Or they do have housing, but they pay 33% of their annual-- their weekly income to it. And then in the rural, they'll pay 37% to childcare, which leaves them with 40%, maybe, if they're lucky.

**DeBOER:** So--

**HOLDCROFT:** I have one more question, if I could.

**DeBOER:** Yeah, please.

**HOLDCROFT:** It'll be real quick. You mentioned and I think it was just a passing comment about behavior among toddlers and infants going in the wrong direction, I guess, and possibly driving away providers. What, what is-- do you have a comment of the reason why?

**DeBOER:** Where does that come from?

**KATIE BASS:** I think I said that, didn't I?

\_\_\_\_\_: Yeah. [INAUDIBLE].

**KATIE BASS:** This is more anecdotal. We don't have the full evidence. But we have heard that infant and toddler teachers are sticking around. It's those preschool teachers. It's the kiddos who didn't have the socialization and the interaction in early 2020, when they were pulled from childcares, right, for safety reasons. We're not-- we

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don't even have to debate why. It just-- it happened. And their parents were home working or were leaving them with people who don't provide that necessary social interaction that is the core of quality childcare. And that has reverberating effects. We see it in schools and we also see it in our childcares.

**HOLDCROFT:** But do you think it might be a passing thing then?

**KATIE BASS:** I hope it is. I do hope it is. I think that if, if-- well, we'll find out. Right. But we do know that-- and you can even see that in the workforce data. There's actually been some pretty substantial turnover among preschool teachers, which is a group that has been largely stable, right, and they're their own category. But we're seeing those high turnover rates there, too.

**IBACH:** But the Hunt Institute in Nashville a few weeks ago, they said the most underpaid position is a kindergarten teacher, because transitioning from early childhood education to school is the most-- is, is a very important transition for--

**HOLDCROFT:** Yeah, but they love their job, kindergarten teachers.

\_\_\_\_\_: And we didn't really get into the preschool age  
[INAUDIBLE]--

**KATIE BASS:** Right.

\_\_\_\_\_: --and that's an interesting sort of-- and models change about how to offer our services to that group of folks and usage of those services. But it would make a kindergarten teacher's job a lot better if everyone was in a preschool setting, but we're not seeing that.

**KATIE BASS:** And the 2 things that, that kind of came up that I wanted to say, I have some resources. There's some research happening right now in farm communities and how that is connected to child safety. Childcare as a safety measure, which I was unaware previously about the number of accidents on farms that involve young children. It's very high. And so there's been some research on farms and child care that has just come out. I could pass that along. And we've also done a project looking at public transportation in Douglas County and Lancaster County, and how far you would have to walk to find childcare from a bus stop. And so that's available on the First Five website, and I'm happy to send that out to you. [INAUDIBLE], they're all connected.

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**KATIE BASS:** Senator Clements, I have to ask, the population pyramid for 2022. So to your question--

**CLEMENTS:** Yeah.

**KATIE BASS:** --so 15 to 9 year olds, do you do see it's getting a little bit smaller every year. There tends to be a little bit of a boom and bust cycle, right, in when people have children, so I don't expect it to just continue to steadily decrease. But it has decreased for the past several years, so you can see that. And then-- right-- so I kind of grouped this group as the young, 27%, compared to the 21% baby boomers. Right. So this number is still greater than this number, but it's just a little bit greater.

**CLEMENTS:** OK. All right. Thanks.

**DeBOER:** Well, similar to some of the things that we're thinking about with housing, it would probably be helpful for this committee to think about, long term, if there are interventions that the state can take to ensure kind of some stability in our childcare providing. So think about that. And we're going to have, next time, about water. And then, as I said, in November, we'll talk about sort of coming together on these issues of childcare, housing and water, but probably focusing-- probably focusing on childcare and housing even more than the other one, but we'll see. Because, for one thing, what committee would childcare being handled by? Education? Would it be handled by HHS?

**ARCH:** It's HHS.

**DeBOER:** Some of its H-- some of its child-- some of it's in Education, too. So it kind of overlaps several committees. And housing, as you know, is in--

**VARGAS:** Appropriations?

**DeBOER:** Business and Labor.

**HOLDCROFT:** Judiciary.

**DeBOER:** Judiciary. Hopefully we're not there yet. Although that's the best committee, obviously. But, but--

**VARGAS:** Sure, sure, sure.

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**DeBOER:** --we do, we do want to have some kind of ideas about what to do, because I think we can all recognize that childcare is an issue, and how do we improve that? Before we pack up, I want to talk about what we want to do with water.

**ARCH:** Can I just make one comment? So I'm not, I'm not a member of the Governor's workforce task force. You know, they're looking at workforce. I wouldn't be surprised if some of that work isn't going to come up with some childcare issues.

**DeBOER:** Yeah. Agreed. Maybe I'll talk to him.

**ARCH:** Maybe we could--

**DeBOER:** Work together.

**ARCH:** --partner on something like that.

**ELIZABETH EVERETT:** It is being brought up as a-- so the top 2 issues with that workgroup, right now, is housing and childcare. And we've been brought those outside experts.

**ARCH:** OK.

**ELIZABETH EVERETT:** And so the Governor's Office is actually trying to do some work around this, too [INAUDIBLE] .

**DeBOER:** Yeah, maybe I'll talk to him and try and work together on that. That's a good point. Thank you for bringing that up.

**VARGAS:** I apologize. I have, I have to head. But one question I had, and I don't know if you could share this with us, there was the-- chairman-- former Chairman Stinner served on the Early Education Workforce Task Force. I was ancillary work on that, too, with them. And that was a really big report. Now, we've never looked at that and seen it. We've had presentations on like that in the past in different committees. I think we've had it in Appropriations before, too, because it was basically about like the cost modeling of like all the-- not just state legislative. It was private, philanthropy, like the cost of everything that would be needed to invest in the workforce. That-- I think that would be helpful just to send to, to everybody to have for their office, for us to dig into a little bit, because there were recommendations there. On the funding side, there were recommendations. So, it was very creative.

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**DeBOER:** Good. OK. Let's talk about what we want to-- because water is a really big topic. So we probably need to pare that down to have a more direct approach. Yes.

**CLEMENTS:** I was just saying goodbye to him.

**VARGAS:** Oh, sorry. Take care, everybody. Apologies.

**DeBOER:** Are you leaving the Capitol or--

**VARGAS:** No, no, no. I just have to go--

**DeBOER:** To another meeting.

**VARGAS:** Yeah. [INAUDIBLE].

**DeBOER:** I'll, I'll talk to you before.

**VARGAS:** Goodbye, everybody.

**DeBOER:** So the-- one of the things that folks were interested in when I surveyed the body was to talk about quality of water, water quality and availability and blah, blah, blah. Well, that is a huge topic, so we need to narrow it down. I thought one of the things we could look at is the nitrates issue in water, if that would be interesting for folks to talk about, because that's something that we had long-term data over. And as the Planning Committee, if we're looking at like problems that are coming at us from the future, nitrates might be one of those things that we could talk about, because that is a long-term-- that-- that's something that you'd have to look at over a long scale as opposed to just, you know, taking a bite at it and being done with it. So if that's something that you all are interested in talking about next time, we can do that one, or if you have other water quality issues, we could look at-- is there any thoughts on, on those questions? Nitrates are particularly interesting to me, because many of you know, my dad had Midwest Laboratories was his business, the family business. And so I remember making videos about nitrates in the water when I was 16 years old, which I'm not 16 years old now. So it's been a-- it's been an ongoing issue that I think maybe the state could take a look at and, and see if we can have any kind of systematic approach, rather than just taking nibbles here and there. Does that--

**HOLDCROFT:** Well, I think you can't spend enough time talking about wastewater feed in south Sarpy County.

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**DeBOER:** Really?

**IBACH:** That's what-- when I made the comment when you said you were building something, infrastructure, you can't do that without a really healthy wastewater treatment center.

**HOLDCROFT:** We've recovered that now, because the-- it's called the Tower District because the water tower is in it. This tower, so it's--

**IBACH:** How convenient.

**HOLDCROFT:** There's plenty of water there.

**IBACH:** OK. Well, plenty?

**HOLDCROFT:** Well, enough.

**DeBOER:** Unless there are objections then, we'll go with nitrates. I think that's probably an important issue for us to look at long term and, and something that maybe others may not have the ability to just kind of focus on. So we'll do that next time. Izabel has sent out to your offices, a Planning Committee time, what, Doodle?

**IZABEL REYNOLDS:** It's-- yeah. The, the Doodle call. We were thinking either October 25th, 27th, or 30th. If you could just get back to me or like, end of day, October 4th. It's a Wednesday. That would be great, so we could get everything lined up. But end of the month, October should be good for the [INAUDIBLE].

**DeBOER:** What were the days you said again?

**IZABEL REYNOLDS:** The 25th, 27th and 30th.

**HOLDCROFT:** I know that the nuclear-- micro-nuclear committee is meeting on the 27th.

**DeBOER:** That's also a hearing we have. We have a hearing that day.

**IZABEL REYNOLDS:** I haven't gotten any kind of-- I haven't seen a time for when the hearing is yet, so we can also work around that. The 2 times that I have selected for those days are 10 to noon and then 1 to 3, so kind of working around lunch. But, yeah.

**DeBOER:** Let us know what works best for you. That nuclear one, is that-- do you know, is that a day or an afternoon?

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**CLEMENTS:** It's morning.

**DeBOER:** Morning or afternoon.

**CLEMENTS:** I've got it at 1:00.

**DeBOER:** Is that here in, in Lincoln?

**CLEMENTS:** Yeah. 1507 hearing room.

**DeBOER:** So it might be easier to do that morning if we can talk-- make sure ours is in the afternoon, our hearing is in the afternoon.

**HOLDCROFT:** It probably wouldn't work for me. My son's getting married on the 28th in Saint Louis, so I won't be here.

**DeBOER:** Oh, well then, fair enough. I think you're a--

**IBACH:** It's a destination. What do-- what do you have?

**DeBOER:** That kind of puts you out for several of those days, but that's all right.

**HOLDCROFT:** Yeah, it does.

**DeBOER:** We understand that.

**IBACH:** Should we ask why he moved to St. Louis? That's what we really mean.

**DeBOER:** Yeah, that's the question.

**HOLDCROFT:** Yeah. Well, he was a-- well, I don't want to spend the time. He was, he was in the Navy, so he moved out because of service.

**DeBOER:** All right, well, that we can't really account for.

**HOLDCROFT:** I do have 2 kids out of 5 who live in Nebraska.

**DeBOER:** OK, so if you can get back to Izabel on that, we'll try and get you some information on the nitrates before the next meeting.

**IBACH:** Don't ask Senator Blood.

**DeBOER:** That-- well, she doesn't talk about the nitrates.

**IBACH:** Dysentery-- or the dissertation.

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**DeBOER:** Dysentery and dissertation are a very similar thing.

**IBACH:** I might have misspoke there.

**DeBOER:** Anyway, thank you for your time today. And we'll try and pursue some work on childcare this next session, too. So thanks everyone. Thank you to our presenters.