

A photograph of a woman with long dark hair, wearing a grey cardigan over a white top, smiling warmly as she interacts with two young children at a wooden table. The child on the left is a young boy with light hair, wearing a blue and white striped shirt. The child on the right is a young boy with dark skin and short hair, wearing an orange t-shirt. They are in a bright, well-lit room with shelves and a blue couch in the background.

THE
CHILD CARE
FOR
EVERY FAMILY
NETWORK

Effective and Inclusive Child Care Solutions

Toolkit for Implementing
CHIPS & Science Act Investments

Welcome & How to Use This Toolkit

Hello CHIPS Act applicant! This toolkit is designed to help CHIPS Incentives Program applicants and recipients effectively implement workforce child care programs according to the spirit and intent of [CHIPS Incentives Program requirements](#). Also outlined in this toolkit are policies and practices that will grow the capacity of local regions to deliver on the workforce and child care needs in the semiconductor industry and the surrounding community.

The Child Care for Every Family Network is a group of diverse organizations brought together by our passion for building an effective and inclusive child care system that works for everyone. We aim to help you gain a competitive advantage in applying for "CHIPS for America Incentives program" funding and to partner with you to ensure selected child care plans do not in any way undermine existing child care providers.

Partnering with us will not only leverage federal leadership, but also ensure a diverse set of child care providers—including “family child care” providers in key communities—can co-create a roadmap to deliver quality child care to your current and future workforce while investing in communities that need employment opportunities the most. By the end of this guide, we hope you will see that it takes more than one company, one advocacy organization, or one simple solution to deliver effective child care options for families.

We invite you to partner with our network and to access local child care experts and advocates in the states and regions where you plan to invest. We look forward to supporting those local partnerships and working together to build a stronger, more inclusive child care system.

We’ve created this toolkit as a series of one-pagers so you can take what you need. You can download individual sections or the entire toolkit by visiting **childcareforeveryfamily.org/CHIPS**.

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Summary of Tips for Building Effective and Inclusive Child Care Solutions

Tip One: Understand that child care is critical to the workforce needs of the semiconductor and construction industries

- Demand for workers is high and the supply of workers is critically low
- To meet workforce demand, the semiconductor sector must bring new entrants into the sector, especially women and workers of color
- Workers need affordable, reliable, and responsive child care to enter and stay in construction and manufacturing jobs
- Child care is expensive and in short supply in every state in the country

Tip Two: Understand what Commerce Guidance must include

- A Workforce Development Plan AND a Child Care Plan is required with application
- Plans expected to articulate efforts to recruit and retain a diverse workforce including workers of color and women guided by the following:
 - Highly effective [workforce investments](#) strategy
 - Biden Administration's [Good Jobs Principles](#)
 - Support [1 Million Women in Construction Initiative](#)
- Child care plans need to offer effective and inclusive child care options that consider:
 - Affordability and accessibility to low- and middle-income workers
 - Reliable and high-quality care
 - Responsive to worker needs especially accommodating shift work and “off-hours”

Tip Three: Follow the North Stars to build an effective and inclusive child care plan

- Partner with parents, providers and child care workers
- Understand the child care landscape and do no harm
- Leverage existing systems and build up
- Ensure child care options are inclusive for all families

Tip Four: Before submitting application, create partnerships and plan how to work together

- Partner with the local community of child care advocates, organizers, providers, and labor unions engaged with your workforce, including:
 - Community-based organizations and coalitions with proven track records of advocating for increased child care funding and improved policies in your state
 - Labor partners representing construction, manufacturing, and child care workers in your state.
 - State and local government staff who are engaged in the child care sector
- Formalize partnerships and establish a core community advisory table.
- Provide fair compensation for community expertise.

Tip Five: After submitting your application, develop and execute Workforce Needs Assessment, Child Care Landscape scan, and action plans for leveraging existing systems

- Involve a child care advisory table in co-designing the worker needs assessment and child care landscape scan.
 - Use the project's workforce development plan as a starting point.
 - Partner with the organizations who can give you access to current and future workers.
 - Work with state and local governments to leverage existing resources to manage the child care landscape scan.
- Involve child care advisory partners in building child care plans and helping prioritize actions and investments.
 - Enlist child care advocates, providers and workers in helping to assess results from worker needs assessment and landscape scan and translate findings.
 - Support inclusive process to involve community and workers in shaping priorities, creating action plans and necessary investment strategies to deliver on commitments.

Tip Six: Use CBAs and PLAs to create lasting commitments

- Utilize Community Benefit Agreements and Project Labor Agreements as mechanisms to outline specific commitments and obligations made in workforce and child care actions plans
- Create formal roles for workers and community stakeholders to provide ongoing oversight and accountability throughout the life of a project

Tip Seven: Help build an inclusive system by ensuring diverse child care options and delivery mechanisms

- Utilize a “mixed delivery model” approach to provide benefits that are tailored to their workers’ diverse needs.
- Design inclusively by allowing for Family Child Care providers and Family, Friend and Neighbor providers to ensure workers have options that are culturally specific, accommodate “off hours”, are located near school and home, and can support multiple siblings and a variety of age groups.
- Ensure all models help support the larger child care system including providing fair wages for child care workers and investing in growing the local pool of child care providers.

Tip Eight: None of us can do this alone. Partner with us to build this system together! Learn how to connect with us in our guide *How to Connect To Partners in Your State*.

North Stars to Guide You

Ensuring high-quality child care options offers several advantages for semiconductor employers, from increasing employee retention and productivity to reducing absenteeism due to child care-related disruptions. Access to reliable, quality child care helps attract top talent, particularly parents seeking a workplace that recognizes their family caregiving demands. Considering the deep workforce shortages in construction and manufacturing, child care supports also promote gender equity and diversification of the workforce by enabling both men and women to participate equally in these jobs.

As your businesses begin building your workforce and child care strategy, we encourage the following **north stars** to guide the work:

Partner with parents, providers and child care workers

For employers, building a child care program for their employees should not be a stand-alone endeavor, but an effort designed and delivered with partnership with local child care advocates and providers. Semiconductor industry investments in child care provide a crucial opportunity to propel the area's child care sector forward, but only if employers work in collaboration with parents, providers, and advocates. Employers and local partners can work together to ensure that the community's existing child care system remains stable while striving to make care more affordable, high quality, accessible, and reliable for the workforce and the community surrounding semiconductor sites.

Understand the child care landscape and do no harm

Businesses that grow the local workforce rapidly, without a child care plan, could risk exacerbating child care supply issues in a locality by not balancing an increased demand for care with an already inadequate supply of care – driving up prices and limiting availability for the workforce and families in the community. Moreover, child care efforts of the semiconductor industry must not inadvertently displace the women and minority-owned businesses and nonprofit organizations that currently serve as the primary providers of child care by, for example, incentivizing only private equity and/or corporate child care partnerships with the semiconductor industry. Even if these partnerships seem to provide a simple solution, they will create long-term challenges in accessing the wide

range of care needed for a diverse workforce with a variety of caregiving needs. Neglecting to allocate sufficient resources to support a wider range of local child care initiatives could lead to a shortage of qualified providers available all the hours parents need them, compromised safety and quality of care, reduced parent choice in the care that is best for their family, and challenges in ensuring affordability.

Leverage existing systems and build up

Cities, counties, and states have significant responsibility for managing, regulating, and growing the child care sector in your state. Partnering with these governments and leveraging existing systems and programs in the child care sector can increase the number of mechanisms firms have to deliver on inclusive child care options for their employees. Leveraging local efforts like subsidization programs to grow the supply of child care providers or efforts to rectify the prevailing practice of offering poverty-level wages and minimal benefits to child care providers and early educators, can help the local businesses achieve their child care goals and improve the local supply of child care providers.

Ensure child care options are inclusive for all families

There is no *one size fits all* in child care. Employers must take the time to understand the unique needs of the workforce, especially women and workers of color. The construction and facilities workforce in the semiconductor industry are required to work non traditional hours, including shift work, early mornings and late evenings. Traditional center-based child care settings do not accommodate families in these hours. Workers in this industry need child care settings that meet the needs of their work and provide safe and reliable care. Additionally, workers also seek child care that is culturally specific and located in their communities. Co-designing the child care needs assessment with workers themselves and experienced providers will deliver a clearer picture of the gaps these programs can address.

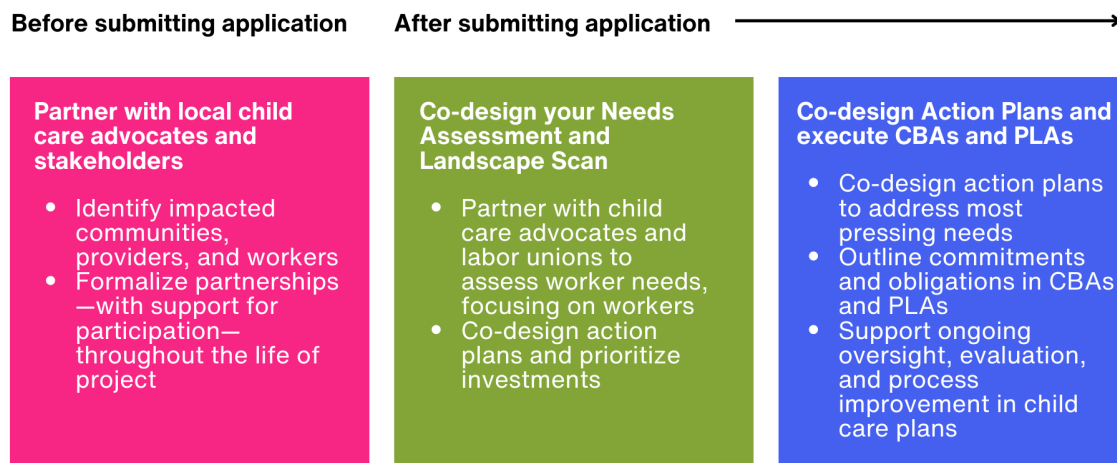
By proactively focusing on the **north stars** outlined above (and included in the Notice of Funding Opportunity (NOFO) [workplace guidance](#)), semiconductor manufacturers can build a child care plan that will effectively recruit and retain thousands of new workers needed to build up this sector.

Creating Your Plan: Key Steps Before Submitting Your Application

Step One: Understand Department of Commerce’s Guidance for CHIPS Act Funding

Companies seeking CHIPS funding are encouraged to support the Department’s key priorities:

- Highly effective [workforce investments](#)
- Biden Administration’s [Good Jobs Principles](#)
- Support [1 Million Women in Construction Initiative](#)



Step Two: Connect Early with Child Care Advocates, Providers, and Unions

A key first step in a firm’s strategy on child care is to partner with the local community of child care advocates, organizers and providers, and labor unions engaged with your

workforce. Consider including governmental partners managing the child care sector in your outreach as well. To strengthen your application for CHIPS Act funding, ensure you are engaging key stakeholders early and planning effectively to lay a path for formal partnership as your project planning process moves forward.

Who are the child care stakeholders in your state?

A detailed description of child care stakeholders can be found in *Stakeholders in the Child Care Landscape*.

- **Community-based organizations and coalitions** with proven track records of advocating for increased child care funding and improved policies in your state. These organizations possess a deep understanding of the intricate systems involved in funding, regulating, and administering child care services to families across the state in ways that ensure child care meets the needs of the communities in which they work. By partnering with such advocates, CHIP manufacturers can strategically plan their child care investments by bringing together the necessary stakeholders to design an inclusive child care benefit plan. Grassroots community organizations like the Ohio Organizing Collaborative (OOC) and other similar entities actively engage with family child care providers, early childhood educators, parents and families. These organizations are well-positioned to collaborate with CHIPS applicants in developing and implementing child care plans that align with the Department's guidelines, and that invest in local communities. Additionally, child care resource and referral agencies (CCR&Rs), with their relevant experience and extensive networks, can serve as excellent partners in this endeavor.
- **Labor partners representing construction, manufacturing, and child care workers in your state**, including Women in Trades organizations and others working to increase women and workers of color in nontraditional careers. To ensure a comprehensive approach that addresses the workforce needs of the semiconductor and construction industries, it is crucial to identify and collaborate with organizations closely connected to the workers in these sectors. These organizations may include building trades unions, manufacturing and child care worker unions, pre-apprenticeship programs focusing on communities of color and women workers, and apprenticeship programs.

- **State and local government staff who are engaged in the child care sector.**

Consider enlisting local city, county, or state entities to oversee the recruitment of stakeholders and facilitate stakeholder meetings for your project. Your firm may have already enlisted these partners to assist with site location or funding for your project, leveraging their expertise to also manage the co-design and co-creation process for your workforce development and childcare strategies would be beneficial.

By engaging these community and governmental partners, you can tap into their experience, local knowledge, and existing infrastructure to enhance the success of your workforce development and childcare initiatives.



Questions to Consider

- What resources and connections do you currently have to assist you in finding relevant partners in both the child care and workforce sectors?
- Who are the organizations and networks working directly with diverse providers, child care workers and parents in low-income communities near your new facility?
- Who are the grassroots organizations working actively to increase state and local funding and infrastructure for child care and early childhood education in your state and local counties?
- Are there organizations in your community actively working to increase recruitment, training and employment opportunities for women and people of color in construction and manufacturing?
- Are there organizations in your community focused on developing child care jobs as good jobs? And on growing the representation of women and people of color in manufacturing and trades occupations?



Step Three: Convene Key Partners and Formalize Collaboration

Once you have identified key partners, it is critical to build relationships and establish trust with these new collaborators. This work includes convening future partners to build common ground and a shared vision for an effective child care strategy to support your facility. Formalizing community partnerships through clear agreements will build trust and clarify how you will work together and incorporate community voices into the planning, implementation, and evaluation processes of your child care plan.

Best practices for formalizing community partnerships include:

- Establish a core community advisory table with a long-term perspective in mind.** This group should consist of a diverse range of community representatives, including child care advocates who closely collaborate with child care providers, parents/families, workers, and unions. It is essential to prioritize the inclusion of individuals from low-income backgrounds and communities of color. Additionally, consider involving stakeholders from workforce development sectors, unions, and organizations supporting women in the construction trades. This advisory table should be viewed as the project's long-term partners who actively contribute to the design, implementation, evaluation, and continuous improvement of your programs.
- Develop a Memorandum of Understanding or Agreement (MOU)** that outlines the roles, responsibilities, and expectations for members of the project team including company staff and community advisors. The MOU should clarify the objectives, scope, timelines, and resources dedicated to the community partnership. It can also define the governance structure, decision-making processes, and mechanisms for resolving conflicts or disputes.
- Include opportunities to jointly plan and make decisions together.** This can include co-design sessions, workshops, or focus groups where community members actively participate in shaping the project's outcomes, identifying potential challenges, and proposing solutions. Collaboration in decision-making ensures that the project aligns with community needs and values.
- Provide equitable compensation** to community organizations, workers, providers, and parents/families for their valuable expertise and knowledge of the

child care sector. Community advocates and their members will provide invaluable expertise to help you reach your goals, and the time commitment for projects will be over several years. Ensure they are fairly compensated for these contributions, allowing nonprofit organizations and other community partners to have the capacity to invest for the long haul and plan their staffing and support accordingly. Funding mechanisms can be tailored to the level of participation, such as offering direct payments for involvement, extending organizational sponsorships with community-based organizations, and providing stipends for community input sessions.

- Establish a communication plan** that includes regular updates, newsletters, community meetings, or digital platforms to keep community partners informed about project progress, milestones, and any potential impacts or changes. Provide opportunities for community partners to provide feedback, ask questions, and raise concerns.
- Consider the long-term sustainability of the community partnership** beyond the project's completion. Explore ways to maintain ongoing collaboration, support community-led initiatives, or establish legacy programs that continue to benefit the community even after the project concludes.



Questions to Consider

- How will you staff your outreach and communications work? Who will be responsible for maintaining partnerships through the phases of development?
- How will you involve your local and state partners to help convene other local organizations, especially where there may be existing connections and partnerships?
- Have you allocated adequate resources, including funding, technical expertise, and staff support, to bolster the community partnership? This proactive allocation demonstrates a genuine commitment to the partnership's success and effectively addresses any capacity or resource gaps within the community.

Step Four: Create a [Workforce Development Plan](#)

Workforce development plans must align with the [Good Jobs Principles](#) which outline the elements of a good job, including addressing: recruitment and hiring practices, pay and benefits, job security and working conditions, worker empowerment and representation, skills and career advancement, and organizational culture.

Plans must deliver:


- Facility workforce plan with five essential elements: workforce needs assessment, recruitment and retention strategies, adherence to Good Jobs Principles, commitments to training and wraparound services, and defined milestones and metrics.
- Consultation, engagement, and coordination with workforce partners, including those supporting women and communities of color, to codesign effective workforce plans.
- Sectoral partnerships to create pathways for local workforces and align employer demand with skilled workers.
- Clear policies and practices and training to combat harassment, discrimination, and retaliation; and onsite and on-the-clock mandatory training.
- Removal of barriers to equity through robust outreach, recruiting, and provision of wraparound services.
- Collaboration with existing programs and institutions that connect workers with needed skills to good jobs.
- Commitment to inclusion in the workplace, including a safe work environment for diverse workers.

Collaboration with workforce partners, including: educational institutions, training providers, community-based organizations, labor unions, and workforce development agencies is essential in formulating the plans and establishing a coordinated workforce system. Support Career Technical Education, Registered Apprenticeships, and earn-as-you-learn programs—with a focus on training economically disadvantaged individuals and underrepresented groups.



Example: Construction Careers Pathways Framework Model

The Construction Career Pathways regional collaboration, based in the Portland metro area, developed a nationally recognized comprehensive strategy to diversify the construction workforce through labor and community partnerships and workforce funding. The result of this effort is a unifying Construction Careers Pathways framework that commits contractors to a suite of best practices to grow the number of women and BIPOC workers on large-scale infrastructure projects. This Framework helps projects deliver: 1) Consistent workforce diversity goals, 2) Workforce recruitment and retention plans, 3) Equity guidelines and worker protections, 4) Funded training of pre-apprenticeship and apprenticeship programs, and 5) Wraparound services for recruitment, retention, and mentorship. It has also developed a regional Project Labor Agreement to embed equity provisions into union practices to train and deploy women and people of color onto construction jobs. As part of a regional effort to diversify the construction trades, the Portland metro region employers created a workforce funding collaborative and invested \$2.9 million dollars into supportive services, including child care, for diverse construction workers.



Step Five: Create Your Child Care Plan

In conjunction with workforce development plans, develop a plan for affordable, reliable and accessible child care for the project's workers in construction and manufacturing that meets a wide range of family needs.

Child care plans must include:

- Plan to assess child care needs by construction and manufacturing workforce (needs assessment)
- Plan to assess regional child care capacity (landscape scan)
- Documented partnerships with child care partners and other stakeholders in the sector
- Effective and inclusive child care options that consider:
 - Affordability: costs are within reach for low- and medium-income households without compromising a family's ability to meet other needs for housing, food, transportation, health care, etc.
 - Accessibility: at a convenient location with hours that meet workers' needs, and in communities with sufficient child care supply to find and maintain care
 - Reliability: granting workers confidence that they will not need to miss work for unexpected child care issues
 - Quality: providing a safe and healthy environment that families can trust to nurture the healthy growth and development of their child based on their cultural, linguistic and other preferences
 - Responsive: ensuring child care options that fit the unique needs of the workforce including culturally-specific and "off-hour" options, allowance for friend and family providers, proximity to home and school, etc.
- Child care delivery mechanisms that are inclusive of diverse needs include a combination of:
 - On-site child care operated by employer
 - Off-site child care operated by a contractor
 - Off-site child care cash assistance to employees
 - Off-site child care provider sponsorship with local providers

Creating Your Plan: Key Steps After Submitting Your Application

Step One: Co-design needs assessment of workforce and child care capacity landscape scan

Two initial tasks of the stakeholder table, in collaboration with the semiconductor firms and construction contractors, is to co-design a workforce needs assessment that specifically focuses on child care needs and a child care landscape scan to assess current child care demand, supply and system capacity in the region. These assessments are crucial for strategically deploying plans and investments to meet the unique needs of workers and to enhance the capacity of the system in a community. The stakeholder table will play a vital role in engaging relevant partners who have direct access to the current and potential workforce in the semiconductor industry and building and construction trades.

No single firm or company can address the workforce and child care challenges alone. The action plans resulting from the assessment and landscape scan will likely require coordinated efforts and actions from cities, counties, and the state to advance the recommended strategies.

By co-designing the workforce needs assessment, conducting a child care landscape scan, and involving key constituents, the stakeholder table can collaboratively develop comprehensive action plans to address workforce needs, allocate necessary resources, and foster an environment that supports the semiconductor industry's growth and the well-being of its workforce.

Involving stakeholders in co-designing your needs assessment and child care landscape scan includes the following approach:

- Use the project's workforce development plan as a starting point** to identify the workers you seek to survey and assess their child care needs.
- Partner with the organizations who can give you access to current and future workers.** Partners may include construction trade unions, Women in Trades organizations, workforce organizations supporting low-income communities of color and women workers, pre-apprenticeship programs, culturally specific community-based organizations, and other entities operating within the neighborhoods and communities from where workers will be recruited.
- Leverage existing state and local government resources to manage the child care landscape scan.** Their involvement can enhance the ability to predict and model future workforce needs more effectively.
- Involve child care advocates in the worker needs assessment as well as landscape scan.** They can assist in both the workforce needs assessment and child care landscape scan by engaging the providers most likely to support this workforce; family child care providers, family, friend and neighbor (FFN) providers, and child care workers in all settings.
- Build in mechanisms for monitoring and evaluating the community partnership's effectiveness and the project's impact on the community.** This can involve regular check-ins, surveys, or evaluation processes that assess the partnership's outcomes, address any issues that arise, and ensure accountability on both sides.



Learn More: Leveraging Existing Systems to Build Child Care Plans

The CHIPS Notice of Funding Opportunity (NOFO) requires applicants to have received a "covered incentive from a state or local jurisdiction" to attract the construction, expansion, or modernization of the facility. These incentives can include direct funding, loans, or loan guarantees. Semiconductor businesses can, in addition to these incentives, request state


and local jurisdictions to also provide community-based child care solutions to support the Department of Commerce requirement and the needs of their constituents.

Cities, counties, and states play multifaceted roles in addressing the child care shortage and supporting the growth of child care services. They have the potential to fulfill numerous functions and utilize various mechanisms to create an environment that fosters the expansion and accessibility of quality child care services. Through strategies such as: operating subsidy programs, collaborating with employers, removing barriers to growing child care businesses, and partnering with early childhood education training institutions, cities can positively impact the child care sector in ways that benefit families, employers, and the broader community.



Questions to Consider

- What role can your state and local governmental partners play in your workforce needs assessment and child care landscape scan?
- What resources are available through your child care policy and regulatory partner to understand child care capacity and costs in your local region?
- What resources can you provide to conduct additional focus groups and provider engagement to better understand barriers and opportunities to grow the child care supply in specific communities where workforce strategies will be targeted?



Step Two: Assess findings and co-design action plan with stakeholders

The workforce child care needs assessment and child care supply landscape scan will provide employers and community stakeholders the crucial information to effectively plan for the future workforce. Child care providers and child care workers along with semiconductor and construction workers must be involved with helping employers unpack the results of these two assessments and integrate the findings into an inclusive action plan.

These best practices will help partners be the most helpful in building the action plan:

- Provide information that is accessible and clearly communicates assessment results.** Use plain language and provide information in multiple formats, such as written materials, visual aids, and digital platforms. Offer translation services if needed to accommodate diverse language needs.
- Organize co-creation workshops, focus groups, or community events to actively involve community members in the design process.** Provide structured activities that encourage collaboration, creativity, and the generation of ideas. Partner with trusted, local community organizations to help facilitate these engagement sessions where you can.
- Utilize an iterative approach that results in community-driven priorities.** Share design concepts or ideas with the community and gather their input before finalizing community benefits. Actively involve community members in refining and co-designing the proposed solutions, ensuring their perspectives are considered throughout the process.
- Clearly communicate how decisions will be made and the criteria that will be used to evaluate and prioritize community benefits.** Maintain transparency throughout the process by providing regular updates on the progress and outcomes. Communicate how community input was considered and incorporated into the final decisions.
- Work with local community partners to identify state and local systems to advance action plan priorities.** Child care advocates can provide meaningful feedback to employers on leveraging local and state resources to both support semiconductor workforce needs and continue to build up child care systems.



Questions to Consider

- How will you support the co-design process with stakeholders? Who has the skills and experience to manage this phase of engagement and planning to ensure community voices are heard?
- How will decision-making processes be outlined and clarified during the priority setting process?
- How might you recruit facilitators and other engagement professionals skilled in working with diverse stakeholders to help the advisory table move effectively through the prioritization and action planning phases?



Step Three: Memorialize action plans and commitments through negotiated agreements

Community Benefit Agreements and Project Labor Agreements are considered a best practice in delivering community outcomes through a shared partnership with employers, workers and community organizations. They can be effective mechanisms for the semiconductor sector to outline specific commitments and obligations made in workforce and child care action plans. They also provide a role for workers and community stakeholders to provide ongoing oversight and accountability mechanisms throughout the life of a project.

Both CBAs and PLAs are legally binding agreements, but the signatories differ depending on their unique context. The federal government has been increasingly supportive of these types of agreements in public-private partnerships found on large-scale federal infrastructure projects.

Community Benefits Agreements (CBAs) and Project Labor Agreements (PLAs) are effective mechanisms to deliver commitments on workforce and child care strategies and funding. They create transparency and inclusivity as you partner with

community and labor, and involve these stakeholders in the life of your project. Both agreements can work side by side through the distinct phases of workforce development and child care planning and implementation efforts.



Project Labor Agreements (PLAs)

Project Labor Agreements (PLAs) are negotiated collective bargaining agreements between construction contractor(s) and construction unions and are used to set terms and conditions for employees.¹ These agreements outline wage and benefit conditions for construction workers in exchange for union support for delivering skilled workers to the project.

Project Labor Agreements are excellent mechanisms to deliver child care commitments for the construction workforce on your projects by:

- Helping employers have direct access to workers throughout the planning, implementation and evaluation phases.
- Working with unions to build effective feedback loops as you assess child care needs and improve on plans.
- Developing written agreements providing clarity for workers in understanding their benefits.
- Working with union staff and worker leaders to consistently help troubleshoot, so challenges and barriers are addressed quickly.

Resource: The U.S. Department of Labor has an excellent resource guide on PLAs, which is included in the *Resources* section of this toolkit.



¹ <https://www.dol.gov/general/good-jobs/project-labor-agreement-resource-guide>

Community Benefit Agreements (CBAs)

Community Benefit Agreements (CBAs) are legally binding agreements negotiated between developers, corporations, and community organizations, local residents, or other stakeholders. These agreements are designed to ensure that the development or project delivers specific benefits to the affected community in exchange for community support, cooperation, or approval. They can be utilized to deliver child care benefits to local communities. To maximize their effectiveness, it is important to involve community organizations, child care experts, and relevant stakeholders in the negotiation and implementation processes. This collaborative approach helps ensure that the CBAs align with the specific needs and priorities of the local community and lead to meaningful and sustainable child care benefits.

Community Benefit Agreements can also deliver on child care commitments for both the construction and facilities workforce by creating one agreement where child care mechanisms can be memorialized, such as:

- **Inclusion of child care facilities:** CBAs can stipulate that developers include child care facilities within their projects. This can involve allocating space within residential or commercial developments for child care centers or family child care providers, or provide rental and/or homeowner assistance through grants.
- **Workforce development and training:** CBAs can include provisions for workforce development and training opportunities in the child care sector. Developers can be obligated to support initiatives that enhance the skills and qualifications of child care providers, such as offering scholarships, sponsoring training programs, or partnering with local educational institutions.
- **Job creation and local hiring:** CBAs can prioritize job creation and local hiring within the child care sector. Developers can commit to hiring and training individuals from the local community, thereby boosting employment opportunities and ensuring that the workforce reflects the diversity of the community being served.
- **Support for ongoing worker and community engagement and input:** CBAs can incorporate long-term mechanisms for community and worker engagement and input regarding child care services such as oversight and advisory committees. This can involve commitments by employers to regularly convene partners and

impacted people, and support their participation in all phases of the child care planning and implementation. This can also include commitments for ensuring feedback sessions with workers and providers to share their needs and preferences, and actively participate in the decision-making processes related to child care provision.

CBAs are instrumental in disseminating information, and they are helpful in building support from the community for the project, often increasing cooperation and reducing the risk of disruption.

How do CBAs work?

The specific terms and conditions of CBAs can vary depending on the project and the needs of the community involved. However, the following elements are commonly found in CBAs:

- **Negotiation:** CBAs are typically negotiated between the developers or project proponents and representatives of the community, such as community organizations, residents' associations, or labor unions. The negotiation process does not necessarily need to be contentious. For CHIPS manufacturers, this could simply mean the negotiations process consists of the Action Plan outcomes in Step 3 of this toolkit. Ultimately, community, labor and employers must agree on the priority actions and commitment of resources that this child care plan will create.
- **Define benefit provisions:** CBAs outline the specific benefits or contributions that the developers or project proponents will provide to the community. These benefits can include affordable housing, job opportunities, workforce development programs, and funding mechanisms to support the provision of child care support for workers.
- **Legally binding:** CBAs are legally enforceable agreements, meaning that both parties are obligated to fulfill their respective commitments. They are typically incorporated into the project's development approvals or permitting process, ensuring that the agreed-upon benefits are delivered.
- **Monitoring and enforcement:** CBAs often include mechanisms for monitoring and enforcement to ensure compliance with the agreed-upon terms. This can involve regular reporting, audits, or oversight committees composed of community

representatives and project stakeholders. If the developers fail to meet their obligations, there may be consequences or penalties as outlined in the agreement.

- **Duration:** CBAs specify the duration of the agreement, which can range from the construction phase of the project to the operational phase or a specified number of years. Some CBAs may also include provisions for periodic review and renegotiation to adapt to changing community needs or project circumstances.
- **Community engagement:** CBAs involve community engagement throughout the negotiation and implementation processes. This ensures that the community's interests and concerns are adequately represented and allows for ongoing dialogue between the developers and the affected community.



Questions to Consider

- What resources and support do you need to develop a CBA and PLA process on your project?
- How can you align project timelines and phases of work to include time for effectively negotiating and executing a CBA and PLA process?
- What opportunities are you developing for community representatives and coalitions to be involved in implementation of the CBA and PLA to ensure goals are being met and emerging barriers and obstacles to be addressed together?

Why Child Care Matters in Meeting Workforce Goals

Demand for construction and manufacturing workers is high but current supply is critically low.

The semiconductor sector is facing the daunting task of hiring and retaining 70,000-90,000 workers to staff over 50 new facilities in the country.² And the sector will need an additional 100,000 construction workers to build them.³ The semiconductor sector will also face fierce competition for skilled workers as the \$864 billion funded IJA projects unfold over the next five years.⁴

With an immediate need for approximately 546,000 new skilled workers in construction, and 100,000 in manufacturing, it is crucial for these sectors to take bold measures to meet future workforce demands, especially in the face of intense competition for labor from other industries.⁵

However, the manufacturing and construction industries are facing a significant challenge to fill these jobs given that over 20% of construction workers are currently aged 55 and above while overall growth rate of new construction workers has capped at 25 percent.⁶ Additionally, the manufacturing sector can only fill half of all its vacant jobs with available unemployed workers.⁷

With over \$210 billion committed by manufacturers, the demand will surely not meet supply without some significant new approaches to attract skilled and semiskilled workers into these jobs.⁸

²<https://www2.deloitte.com/content/dam/Deloitte/us/Documents/technology-media-telecommunications/us-tmt-global-semiconductor-shortage-pov-v3.pdf>

³<https://www.commerce.gov/news/speeches/2023/02/remarks-us-secretary-commerce-gina-raimondo-chips-act-and-long-term-vision>

⁴<https://www.brookings.edu/research/how-state-and-local-leaders-can-harness-new-infrastructure-funding-to-build-a-stronger-more-inclusive-workforce/>

⁵<https://www.abc.org/NewsMedia/NewsReleases/entryid/19777/construction-workforce-shortage-tops-half-a-million-in-2023-says-abc>

⁶<https://www.abc.org/NewsMedia/NewsReleases/entryid/19777/construction-workforce-shortage-tops-half-a-million-in-2023-says-abc>

⁷<https://tcf.org/content/commentary/industrial-policy-requires-care-infrastructure-investments/>

⁸https://www.acf.hhs.gov/sites/default/files/documents/opre/workforce_turnover_snapshot_apr2023.pdf

Construction and manufacturing sectors must attract a new generation of workers among women and communities of color to meet current demand.

Construction and manufacturing sectors have not kept up with the rapidly diversifying workforce, especially in the numbers of women and workers of color working in the broader workforce.⁹ In construction currently, more than 80% of workers are white. Women make up just under 4% of the total workforce, and for new entrants, especially registered apprentices, women only make up 3.6% of that pool.¹⁰ The semiconductor industry specifically employs a little more than quarter of a million workers, with the majority being white men.¹¹ Today, women make up just three in ten manufacturing jobs and fewer than one in ten of the higher skilled trades.¹²

These industries can attract a more diverse workforce but need to address deeply embedded barriers for women and people of color. In a more hopeful development, one recent study of women in construction found that between 2016 and 2019 the number of Latina apprentices in the trades almost doubled, and the number of Black women apprentices grew by almost 50 percent.¹³ However, that same study found “many [women], particularly women of color, face discrimination in hiring and employment and experience sexual harassment and gender or racial bias on the job. Women are less likely to be retained on core crews, promoted to field leadership positions, or to receive the same on-the-job technical training as men. Such adverse conditions mean that women are less likely to complete their apprenticeships than men and are more likely to leave the industry.”¹⁴

⁹ <https://www.osha.com/blog/construction-diversity>

¹⁰ https://iwpr.org/wp-content/uploads/2022/02/A-Future-Worth-Building_What-Tradeswomen-Say_FINAL.pdf

¹¹ https://www.semiconductors.org/wp-content/uploads/2021/05/SIA-Impact_May2021-FINAL-May-19-2021_2.pdf

¹² <https://iwpr.org/wp-content/uploads/2023/03/IWPR-Advancing-Women-in-Manufacturing-report-2023-FINAL.pdf>

¹³ https://iwpr.org/wp-content/uploads/2021/03/Here-to-Stay_revision2.pdf

¹⁴ [ibid](#)



As the workforce diversifies, caregiving responsibilities become critical for retention.

Affordable and reliable child care is essential to building a sustainable workforce for the semiconductor industry. Child care is the work that makes all other work possible and is an important (albeit usually invisible) part of our nation's essential infrastructure.

- One-third of workforce members have a child under 18, and their ability to work is significantly impacted by the availability of child care, school, summer camp and the traditional hours of operation at most child care programs.¹⁵
- Eighty-nine percent of mothers who found a child care program were employed.¹⁶
- Two-thirds of children from birth through age 12 have all available parents in the workforce.¹⁷ And many more parents would join the workforce if good child care options were available.¹⁸
- A National Partnership for Women and Families report estimates that if labor force participation (LFP) for women aged 25 to 54 was at rates similar to those of Canada, Germany and the UK, there would be up to 4.85 million more women in the workforce.¹⁹



The cost of care already exceeds what most families can afford, and child care providers make incredibly low wages.

Parents employed at CHIPS-funded facilities who can find child care options will be paying child care costs that range from \$7,000-\$14,000/child. Reducing out-of-pocket child care expenses for families can help support employment, especially for mothers who frequently have to leave the workforce or reduce their hours when costs for child care exceed what they can afford or when they cannot find stable, high-quality child care.

¹⁵ [https://statusofwomensdata.org/explore-the-data/work-family/#:-:text=Mothers%20as%20Breadwinners,-The%20large%20majority&text=One%20in%20three%20workers%20\(32,Bureau%20of%20Labor%20Statistics%202014\).](https://statusofwomensdata.org/explore-the-data/work-family/#:-:text=Mothers%20as%20Breadwinners,-The%20large%20majority&text=One%20in%20three%20workers%20(32,Bureau%20of%20Labor%20Statistics%202014).)

¹⁶ <https://www.americanprogress.org/article/child-care-crisis-keeping-women-workforce/>

¹⁷ <https://datacenter.kidscount.org/data/#USA/1/0/char/0>

¹⁸ <https://caseforchildcare.org/2020CaseForChildCare.pdf>

¹⁹ <https://www.nationalpartnership.org/our-work/resources/economic-justice/other/cost-of-inaction-lack-of-family-care-burdens-families.pdf>

- Since 2000, the cost of child care has risen 115%²⁰ well above inflation (74%).²¹
- Married couples spend 10% of their incomes on child care, on average²² and low-income households spend 35%²³.
- Families need access to affordable child care that meets their needs, often not during the traditional 9 to 5 work day. Roughly one-third of all children younger than six, almost 5 million, have parents who work these nontraditional-hour (NTH) schedules.²⁴ Only 8 percent of child care centers offer any care during non-traditional hours.²⁵

Child care slots have dwindled across the country, further driving up costs

In Ohio, for example, there are fewer child care workers (12,849) than at any time since 1999 (12,330), more than 20 years and multiple recessions ago, according to the latest data from 2021 from the Bureau of Labor Statistics.²⁶ New York's reductions in program capacity as well as closures have contributed to 10,554 fewer children receiving care than pre-pandemic.²⁷ And in North Carolina providers have the space to reach only approximately 25% of infants and toddlers with working parents.²⁸

Child care is expensive, and workers can't afford to be paid less

Child care is a labor intensive sector. Staffing costs make up the vast majority of operating costs. Most providers struggle to make enough between federal subsidies and parent

²⁰ <https://www.businessinsider.com/affordable-childcare-problem-is-going-to-get-worse-2022-12>

²¹ https://info.childcareaware.org/media/child-care-costs-are-outpacing-inflation-the-average-cost-of-daycare-for-infants-now-exceeds-in-state-college-tuition-fees?utm_campaign=&utm_term=&utm_medium=ppc&utm_source=adwords&hsa_kw=&hsa_mt=&hsa_grp=126046169262&hsa_tgt=dsa-19959388920&hsa_net=adwords&hsa_cam=15026042079&hsa_ver=3&hsa_acc=2314880181&hsa_src=g&hsa_ad=554854506900&gclid=CiwKCAiAgt-dBhBcEiwATw-ggPrK76VAhP7tawNwa3GqzRRTBVxqVu37dfBy-3IYzRVBiDH17kqTaRoCmywQAvD_BwE

²² <https://www.childcareaware.org/catalyzing-growth-using-data-to-change-child-care/#ChildCareAffordability>

²³ <https://www.americanprogress.org/article/working-families-spending-big-money-child-care/>

²⁴ <https://www.urban.org/state-snapshots-potential-demand-and-policies-support-nontraditional-hour-child-care/national-data>

²⁵ <https://www.urban.org/urban-wire/make-child-care-system-more-equitable-expand-options-parents-working-nontraditional-hours#:~:text=National%20survey%20data%20show%20that,serve%20families%20during%20these%20hours>

²⁶ <https://www.bls.gov/opub/btn/volume-12/employment-and-population-growth.htm>

²⁷ <https://thechildrensagenda.org/wp-content/uploads/2022/08/Child-Care-Closures-Report-FINAL.pdf>

²⁸ <https://www.ednc.org/2022-05-13-child-care-capacity-nc-need-infants-toddlers-working-parents-availability-access-wages/>

tuition to adequately compensate their staff. Many workers end up leaving the sector for the higher paying jobs they need to support their own families. It's important to note that for-profit centers, either independent or part of a franchise/chain, have the highest rates of high turnover (45% and 47%, respectively), compared to other types of programs, like nonprofits, which range from 18% to 30% at the highest.²⁹

Low wages are a major factor in high turnover and dwindling supply of child care in all types of care:

- Child care workers receive very low wages – a median of \$13.22 an hour.
- In 2021, at least a quarter of child care workers took on additional jobs to make ends meet and reported difficulty affording housing expenses.³⁰
- Nearly one-third of child care workers experience food insecurity.³¹
- Even before the pandemic, more than 50% of child care workers were eligible for some form of public assistance.³²

Adequate compensation is also an issue of racial and gender justice. The child care workforce is majority-female: 97% of workers are women and 38% are women of color.³² While the workforce itself is diverse, women of color face deep inequities, particularly with respect to wages.



Businesses also feel the brunt of their employees' child care instability.

It is estimated that businesses lose about \$13 billion per year due to employees' child care challenges; including missing work, leaving work early, or leaving their job entirely for child care-related reasons.³³ 45% of parents in need of nontraditional hours for child care missed an average of 9 hours of work.

²⁹https://www.acf.hhs.gov/sites/default/files/documents/opre/workforce_turnover_snapshot_apr2023.pdf

³⁰ <https://static1.squarespace.com/static/5e7cf2f62c45da32f3c6065e/t/6156198766d33570a5a8614d/1633032583516/providing-for-providers-factsheet-part2-sept2021-2.pdf>

³¹ <https://www.msn.com/en-us/news/us/one-third-of-u-s-child-care-workers-face-food-insecurity-despite-large-demand-for-work/ar-AAwTE#:~:text=The%20rate%20of%20food%20insecurity%20in%20people%20who,insecurity%2C%20and%20in%20Arkansas%20it%20was%2040%20percent>

³² <https://www.americanprogress.org/article/4-reasons-the-u-s-economy-needs-comprehensive-child-care/>

³³ <https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2023/02/BPC-ECI-Bipartisan-Toolkit-2023-Update-Full-Report.pdf>

With challenges as big as these, the semiconductor industry has a shared interest and shared responsibility with states and communities to support a comprehensive public child care system solution. This broader effort is the best route to not only provide high-quality, accessible, culturally-relevant, and affordable care for families but to ensure the stability of this system for the long haul.



Understanding the Need for Multi-Model Approach: Inclusive Options for Families

The semiconductor construction and facilities workforce will need a range of child care options

Families often choose child care arrangements based on factors such as their child's age, developmental needs, working schedules, budget, and personal preferences. A plan to provide reliable, accessible, affordable high quality child care must provide families with a range of options that meet their diverse needs, including multiple care options for an individual family and care for nontraditional hours in early mornings, nights and weekends as well as flexible timing that reflects the nature of their work.

As we mentioned in Chapter 2 of this Toolkit, the Department of Commerce's Workforce Development Planning Guide lays out models that are currently being used by employers and recognizes that "[many companies have successfully used mixed delivery models to provide benefits that are tailored to their workers' diverse needs.](#)" The four most likely models named are: (1) on-site care, operated by the employer; (2) on-site care, contractor operated; (3) off-site care, cash assistance; and (4) off-site care, provider sponsorship. A multi-pronged approach—combining these and other strategies is ideal for ensuring families can match with the child care arrangements that work best for them. Employers can invest in child care provisions that offer a variety of choices to workers.

The following are the most common types of child care arrangements for families:

- **Family Child Care Homes:** Family child care homes are operated by individuals in their own residences. They offer care for a small group of children, usually a mix of different ages. Family child care providers follow licensing regulations and provide a home-like environment for smaller groups of children. They provide some of the most flexible care options in the child care system, including being more likely to provide care during nontraditional hours.
- **Family, Friend, and Neighbor care (FFN):** Private arrangements with family and friends as reliable child care providers refer to Family, Friend, and Neighbor care (FFN) where trusted family members or close friends take care of children. In these arrangements, child care is provided within the home environment of the caregiver,

(such as a grandparent's house or a friend's residence) or in the child's home. Care arrangements with family and friends offer several potential benefits. They often provide a familiar and comfortable setting for the child, promoting a sense of security and continuity. Because the provider can come to the family's home, informal in-home care removes the burden of transporting children to and from care. These arrangements are more likely to be available in the child's culture and/or language. Additionally, this form of care can offer flexibility in scheduling especially true if parents work nontraditional hours, such as second and third shifts, when most other types of care settings are closed. Often, this form of care also allows for most flexibility of care for households with multiple children of varying ages.

- **Center-Based Care:** These are licensed facilities that provide care and early education for children in a structured setting. Child care centers typically have multiple classrooms and age-specific programs, accommodating infants, toddlers, and preschool-aged children. They employ qualified staff and follow specific curriculum guidelines. Facilities can be on-site at workplaces or off-site in the community. Most centers offer care during standard business hours and sometimes extended after-school hours.
- **Preschool Programs:** Preschool programs focus on early education and school readiness for children typically between the ages of three and five. These programs offer structured learning experiences and may operate within schools, child care centers, or standalone preschools.
- **Before and After School Programs:** These programs cater to school-aged children and provide care during the hours before and after the regular school day. They offer a safe and supervised environment for children, often including recreational activities, homework assistance, and opportunities for social interaction.
- **In-Home Child Care:** In-home child care involves hiring a caregiver who provides care for children within the family's own residence. This can include nannies, au pairs, or other types of in-home caregivers. In-home child care offers the convenience of personalized care within the familiar home environment.
- **Head Start and Early Head Start:** Head Start and Early Head Start programs are comprehensive early childhood development programs primarily targeting low-income families. They provide educational, health, nutritional, and social services to promote school readiness and support children's overall well-being.

Meeting the needs of nontraditional hours and culturally specific strategies

Some families face additional barriers to finding affordable child care, including low-income families; families of infants and toddlers; families who work nontraditional hours; families with a child or family member with a disability; immigrant families and families with limited English proficiency. Oftentimes, home-based child care providers can best meet the needs of parents who work nontraditional hours and/or seek culturally responsive providers.

- **Family child care homes and family, friends, and neighbor (FFN) child care offer the most flexible child care options** for working parents due to their inherent characteristics and arrangements. Family Child Care and FFN child care typically involve trusted individuals within a parent's personal network, such as relatives, close friends, or neighbors. This close relationship fosters a sense of trust and familiarity, providing parents with peace of mind knowing that their child is in a caring and familiar environment. They often provide more individualized and personalized care compared to other formal child care settings.
- **Both family child care and FFN child care arrangements are often more flexible in terms of scheduling.** Providers may be willing to accommodate irregular or non-traditional work hours, including early mornings, late evenings, or weekends, to support the varying schedules of working parents. Proximity and convenience for families occurs when they are located within or near the family's own neighborhood or community, making it convenient for parents to drop off and pick up their children. This proximity reduces commuting time and provides a more seamless transition between home and child care.

Additional mechanisms employers can use:

- **Subsidized or discounted child care spaces:** Employers can provide a certain number of subsidized or discounted child care spaces with local providers. This ensures that local families have access to affordable child care options and helps address the financial barriers that families face while ensuring local providers are earning sufficient and stable wages. However, with this option, it is important to consider how employee access to limited child care supply impacts the availability of care for other families in the local community.

- **Direct sponsorships or financial contributions:** Employers can make financial contributions to support the expansion or improvement of existing child care facilities in the community. This can involve providing funding for facility upgrades, equipment purchases, or staff training, ensuring more availability of high-quality child care services in the community. However, it may not, on its own, provide direct access to care for employees.
- **Direct cash assistance:** Employers can provide direct cash assistance to employees to find the child care option they need. However, there are significant tax implications for workers in this option, and without a broader fix to child care supply issues, workers will continue to face limited supply of available child care in their local region making it hard to secure care even with financial support.

Example: Wisconsin and New York

The TradesFutures organization, a national nonprofit promoting effective construction apprenticeship readiness programs especially for women and people of color, launched two pilot child care programs in 2022 in Milwaukee and New York City. The programs sought to reduce the burden of child care costs for trades workers by testing two different approaches on their Milwaukee and New York City sites. In Milwaukee workers were offered onsite child care near a construction worksite. In New York City, voucher payments were made directly to child care providers of pilot participants. In the Milwaukee site, interviews with potential pilot participants revealed they were unable to use the child care benefit because it did not fit their unique circumstances and specific child care needs. Program managers noted the learning lesson here for other employers is to ensure a thorough needs assessment be done before creating child care action plans. The Milwaukee pilot has since pivoted to voucher payments made directly to child care providers. Workers' needs are unique and programs should first be designed to understand what those current needs are and to be able reassess and pivot to meet emerging needs.

How To Grow More Local Child Care Capacity

These recommendations were provided by family child care providers working in collaboration with the Ohio Organizing Collaborative.



- Prioritize growing the supply of family child care providers**, especially those serving low-income communities
- Creating an affordable housing strategy will extend to child care providers.** The cost of housing has driven many family child care providers out of the sector. Employers, working with child care providers and city and county economic development offices, can provide grants and no-interest loans to providers to purchase properties to locate businesses and/or expand in existing locations. Semiconductor firms in some states have utilized this forward thinking strategy to start growing child care capacity today in preparation for future workforce needs.³⁴
- Create grants for providers to grow capacity, services and learning.** These grants can give providers the economic support to help them extend hours of operation to accommodate the non-traditional hours many construction and manufacturing workers will need. They can also deliver the capital needed to hire more workers as they ramp up their capacity to care for more children. Additionally, having investment funds can help child care employers create educational incentives to attract new hires into the sector and cover the costs of training and certification. This funding can also enhance learning opportunities using the STEM curriculum.
- Grow the child care workforce by supporting higher wages and creating education and training opportunities in the workplace.** In addition to affordability, child care providers face difficulty recruiting and retaining early educators due to low wages, with the child care system relying heavily on low-paid labor primarily performed by women and disproportionately Black women, as noted above. Moreover, the emergence of more competitive job opportunities have made it difficult to attract and retain early educators. As a result, child care providers are

³⁴ <https://www.localsyr.com/news/local-news/micron-to-invest-500k-into-ymca-of-cny-to-address-child-care-desert/>



experiencing staffing shortages, which means they cannot serve as many children as they would like.

- Invest in family child care providers as training centers for new entrants into the child care system.** Make deep investments in this area by providing direct funding to family providers to train new workers, provide them a sustainable wage and help them increase their credentials.
- Streamline state credential verification systems to help qualified workers start their careers.** Providers endure long wait times for verification of credentials creating stress and financial hardship for both future workers and employers. must break through the gridlock that keeps qualified workers from starting their jobs as soon as possible. And, compensation must be provided to employers delayed in hiring due to that gridlock.
- Advocate for more state investments in the child care sector.** Lend your voice to call on more investments into the state child care system. Help us raise more revenue to invest in publicly subsidizing child care for more families and raising child care worker wages to an entry wage of \$20/hour with more parity to K-12 educators based on experience. Additionally, advocate for streamlining opportunities for growing family child care business in low-income neighborhoods across the state.

What To Avoid

The semiconductor industry must focus on building up rather than depleting an already stressed system.

This opportunity can move the child care sector forward, but the Department of Commerce and CHIPS grant applicants must be intentional to avoid unintended consequences that could destabilize the community's existing child care system or otherwise undermine efforts to make care affordable, high-quality, accessible, and reliable.

Examples of what NOT to do include:

- Expanding demand for child care without correspondingly meeting the supply needs, thus raising prices and reducing availability for families in the community who are not included in the CHIPS child care plan.
- Continuing the practice of poverty-level wages and few to no benefits for early educators and child care staff despite their complex and valuable work.
- Crowding out the women and minority-owned child care businesses and nonprofit organizations, especially family child care providers, that currently provide the majority of child care today, with too few resources, but a strong dedication to the children and families they serve. This could be done by contracting exclusively with one (or a few) large center-based providers only, concentrating access and rate-setting with a very small number of providers.
- Inadequately resourcing the effort to provide child care, leading to an insufficient supply of care; unsafe or poor quality care that fails to meet children's developmental needs; or challenges to making child care affordable for families.

Issues and Challenges to Creating a Stable and Affordable Child Care System

Severe lack of investment in child care has led us to today's crisis

Child care plays a crucial role in shaping children's early development and supporting parental employment, but the child care sector operates on razor-thin (if any) profit margins, making it incredibly vulnerable to changes in demand, increased cost of goods needed to provide care, rental and facility ownership costs, reduction in the child care workforce, and more.

At the height of the pandemic, the child care industry lost 35% of its total workforce, and it has been one of the slowest sectors to recover, further increasing the fragility of a system already in crisis.³⁵ American Rescue Plan child care stabilization funds have been propping up the sector—allowing providers to pay more than the poverty-level wages that are preventing talented workers from joining or staying in the child care workforce. But those funds were temporary and when they expire in September 2023, the sector will feel a tremendous loss.

Child care providers face rising operating costs and struggle to compensate their staff adequately, resulting in low wages and high turnover. Child care closures have always disproportionately affected low-income households and communities of color, and this was especially true during the pandemic.³⁶

While many very low-income families qualify for child care assistance through federal subsidies (e.g., from the Child Care and Development Block Grant) to help offset high and rising prices, these subsidies do not cover the full cost of the child care they use, often leaving them with unaffordable co-pay expectations that make even subsidized child care inaccessible. Additionally, with various strict work and proof of earning requirements, many low-income families who are eligible for financial aid still do not receive it.³⁷ In the latest year for which data were available, just 16 percent of *eligible* families received a subsidy through CCDBG.³⁸

³⁵ https://aspe.hhs.gov/sites/default/files/documents/71981d3ec3a1d02537d86d827806834b/Child-Care-Trends-COVID.pdf?itid=lk_inline_enhanced-template

³⁶ <https://www.americanprogress.org/article/the-child-care-sector-will-continue-to-struggle-hiring-staff-unless-it-creates-good-jobs/>

³⁷ https://www.clasp.org/wp-content/uploads/2022/01/2019_CCDBGhelpingworkingfamilies_ONLINE.pdf

³⁸ <https://www.gao.gov/assets/gao-23-106073.pdf>

The lack of permanent investment in child care has resulted in substantial economic burdens for parents, employers, and taxpayers, with losses of \$122 billion annually.³⁹

The demand for child care exceeds the available slots, leaving millions of children without care options. A recent report by Ohio's Action for Children found that within the seven-mile radius of the new Intel plant, eighteen licensed child care operators have a total capacity of caring for about 2,200 children. This capacity will not be sufficient to meet the demand of an additional 7,000-10,000 construction and facilities workers, many of whom will likely need child care.⁴⁰



To learn more about child care costs in your state:

The [National Database of Childcare Prices \(NDCP\)](https://www.dol.gov/agencies/wb/topics/childcare/price-by-age-care-setting) is the most comprehensive federal source of childcare prices at the county level. The database offers childcare price data by childcare provider type, age of children, and county characteristics.

<https://www.dol.gov/agencies/wb/topics/childcare/price-by-age-care-setting>



³⁹ <https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis>

⁴⁰ https://www.actionforchildren.org/wp-content/uploads/2023/04/CHIPS-White-Paper-April-2023_FINAL.pdf

Stakeholders in the Child Care Landscape

<p>Stakeholders</p>	<p>Those invested in the success of a system. In child care, this includes families, providers, advocates working to improve the system, nonprofit and community partners working to support a system, and local and state governments working to implement a system</p>
<p>Community-Based Child Care Organizing and Advocacy Organizations and Coalitions</p>	<p>Child care coalitions are comprised of parent and provider leaders, child care providers, policy experts and researchers, and civic leaders. They are powerful advocates who can organize community members to shape a process and who can speak to the diverse needs of families in their local community. They can also help businesses and policymakers implement policies that increase the supply of affordable, accessible child care that meets a variety of family needs.</p>
<p>Family Child Care Providers</p>	<p>These providers care for children within their own homes and offer parents an option that can often be more culturally specific, in the language the family speaks, and often has more flexible hours. This could include professionals operating a small child care facility in their home or “friend, family and neighbor” providers caring for a loved ones’ child or children. Some may be licensed though not all are required to be. All are required to be registered with the state to participate in a subsidy program.</p>
<p>Nonprofit Center-Based Child Care</p>	<p>Nonprofit center-based child care is offered by nonprofits that manage child care centers and that offer a range of services for children of various ages, from infants to preschool-aged children. These centers may operate on a full-time or part-time basis, mostly providing care during weekdays and after school.</p>
<p>Child Care Resource and Referral</p>	<p>A Child Care Resource and Referral (CCR&R) organization serves as a local resource hub for families, child care professionals and communities. Local Child Care Resource and Referral agencies help parents choose care by providing referrals to local child care</p>



Organizations and Networks	<p>providers, where to get help paying for child care, and assistance to families with special needs. These organizations also provide professional development support for child care providers and assist state entities in improving standards in the industry.</p>
Unions Representing Workers in Construction, Manufacturing, and Child Care	<p>Unions can support child care workers by helping them bargain for better compensation and benefits; and industrial workers in the construction and manufacturing sectors by helping them bargain for supportive services (including child care).</p>
Tradeswomen Organizations	<p>Organizations made up of women working in the construction trades who educate, mentor and advocate for increasing the number of women in the trades fields. They aim to recruit more women into construction and related trades; promote effective retention efforts and help tradeswomen develop their leadership and career growth, on the job and in their unions.</p>
Apprenticeship Programs	<p>Registered Apprenticeship is a unique, flexible training model that helps workers gain valuable paid work experience, progressive wage increases, classroom instruction, and a nationally-recognized credential. These apprenticeship programs are rigorously vetted and approved by the U.S. Department of Labor or a State Apprenticeship Agency, ensuring alignment with industry standards. By engaging in Registered Apprenticeships, employers gain access to a larger talent pool trained for a range of positions. Key components of these programs include industry-led training, paid employment, structured on-the-job learning with mentors, supplemental education tailored to employer needs, a focus on quality and safety, and the acquisition of valuable credentials within the respective industry.</p>
Culturally-Specific Workforce and Community Nonprofits	<p>Culturally-specific workforce nonprofits work towards improving employment outcomes and opportunities for individuals within specific cultural or ethnic communities. They may provide job training, skills development, career counseling, and placement services that are sensitive to the cultural background and context of</p>

	<p>the individuals they serve. They also may offer a wide range of services such as social support, advocacy, education, health and wellness programs, language assistance, and cultural preservation activities. These organizations often collaborate with employers, educational institutions, and community partners to create pathways to sustainable employment and economic advancement.</p>
<p>Local Governments</p>	<p>Cities and counties play an important role in using their regulatory, land use, housing, economic development and transportation policy-making and investments to grow the child care sector and support child care workers and low-income parents in their jurisdictions. Some cities and counties also fund local child care programs, often augmenting inadequate state and federal funding.</p>
<p>State Government</p>	<p>State governments play a powerful role in the provision and oversight of child care services. Their responsibilities encompass establishing, enforcing, and continually monitoring licensing, certification, and regulations for child care providers and the workforce. This includes setting standards for health and safety, maintaining appropriate staff-to-child ratios, ensuring staff qualifications, and establishing guidelines for the physical environment of child care facilities. They also can create funding mechanisms to make child care more accessible and affordable for families. State governments also play a pivotal role in setting standards for workers' wages, reimbursement rates for providers, and growing affordable child care options for families across the state. State governments also invest state resources to build and grow the child care system, often augmenting inadequate federal funding.</p>
<p>Educational Institutions and Training Programs</p>	<p>Educational institutions, such as colleges, universities, and vocational schools, provide professional training and education programs for individuals interested in pursuing a career in early childhood education and child care. These programs equip child care providers with the necessary knowledge, skills, and qualifications to work effectively with young children. These credentials can also help the child care workforce increase their wages by continuing to grow their skills and capacities in the sector.</p>

Leveraging Existing Public Systems & Building Up

States and cities have a critical role to play in managing, regulating, and growing the child care sector in your region and state. Understanding these levers and promoting co-governance models with community stakeholders in the system, can bolster semiconductor industry investments. Additionally, the broader region can also benefit from private sector investments into existing state and local infrastructures to grow supply and improve wages and working conditions for child care workers and providers.

Area of Assistance	How the City/County Can Help	How the State Can Help
<p>Convening stakeholders</p>	<ul style="list-style-type: none"> → Local governments have existing relationships with community and business organizations through service delivery and policy-making roles. You can leverage local resources, share best practices, and promote a coordinated approach to child care provision in local neighborhoods and communities. → Tap directly into existing partnerships with community stakeholders, including child care businesses, nonprofit organizations, and community groups. 	<ul style="list-style-type: none"> → Has a lead agency or interagency office to administer their federally subsidized child care programs. This agency is responsible for implementing the state’s child care program. → Tap directly into existing partnerships within the child care sector, including child care businesses, advocacy organizations, community agencies, and families. → May have past experiences in collaborating with child care advocates to improve the accessibility, affordability, and quality of child care services.

Area of Assistance	How the City/County Can Help	How the State Can Help
Funding	<ul style="list-style-type: none"> → Align the business community to collectively invest in grantmaking or subsidy programs to provide direct financial support to child care providers to supplement wages and offer competitive compensation to their staff. → Provide financial incentives to encourage the expansion of child care services, especially providers with limited access to traditional capital. This can include grants for new child care providers. → Sponsor collaborations with financial institutions to create loan programs with low-interest rates and favorable terms for child care businesses. → Offer tax incentives to child care providers, such as property tax exemptions, reduced business taxes, or tax credits for hiring and training staff. → Eliminate permit, license, zoning and planning fees for small and minority owned family child care Center based businesses. 	<ul style="list-style-type: none"> → Administer child care subsidy programs, which provide financial assistance to eligible families to access affordable child care. They can establish inclusive eligibility criteria, determine subsidy amounts, and manage the distribution of funds to families or child care providers. → Provide grants, subsidies, or other financial incentives to expand capacity, improve infrastructure, or support initiatives that enhance the quality of care. → Can provide capital funds and facilities improvements grants to grow and expand childcare businesses in child care deserts. → Can generate revenue and allocate money for child care in the state budget. Some examples include states generating revenue through a permanent land grant fund or using some of the funds raised from sports betting. → Can mandate that a portion of the funds for a construction project be used for child care for construction workers.



Area of Assistance	How the City/County Can Help	How the State Can Help
<p>Growing Child Care Workforce</p>	<ul style="list-style-type: none"> → Assist in the development and execution of a community benefits agreement between semiconductor firms and local child care, labor and community partners to ensure delivery of financial and program commitments to grow access to quality jobs by local communities and building capacity for child care. → Subsidize transit costs and provide housing voucher/rental assistance for child care workers. → Build training capacity with career advancement opportunities for the local child care workforce. 	<ul style="list-style-type: none"> → Establish a child care subsidy program that enables low- and middle-income workers in the semiconductor sector to utilize existing state subsidy programs targeted to fund supportive services for disadvantaged workers. This program can help ensure whoever the workers hire to provide child care will have quality wages and training. → Can establish workforce training and professional development opportunities enhancing the overall quality and quantity of child care services. → Increase minimum wage rates, which indirectly impact the wages of child care workers. → Institute wage subsidy programs or stipends specifically targeting child care workers. → Develop measures to reimburse providers with public subsidies based on the true cost of providing quality care, not market rates. → Create targeted initiatives to offer scholarships, grants, or low-interest loans for individuals pursuing early childhood education degrees or certifications. → Increase contracting and reimbursement rates for child care providers participating in state-funded programs, such as child care subsidies or pre-kindergarten initiatives.



Area of Assistance	How the City/County Can Help	How the State Can Help
<p>Growing Child Care Provider Capacity</p>	<ul style="list-style-type: none"> → Simplify and expedite the permitting and licensing processes for child care providers seeking to expand their facilities or acquire new ones. → Reduce administrative burdens and provide dedicated support staff to guide providers through the application and compliance processes. → Provide professional support and resources to child care providers, such as access to mentoring programs, technical assistance, and shared services models. → Offer business development resources and technical assistance to child care providers. → Form partnerships with local colleges, universities, vocational schools, or through provider mentorship networks, to provide specialized training programs for individuals interested in starting or expanding child care businesses. 	<ul style="list-style-type: none"> → Support research and evaluation efforts to gather evidence on effective child care practices for children and families with diverse needs, including monitoring program outcomes and the differential impact of policies and interventions. → Remove barriers for providers and streamline licensing, registration and certification processes for providers of different types. → Provide funds to support professional development, training, and educational opportunities for child care providers. → Increase contracting and reimbursement rates for child care providers participating in state-funded programs, such as child care subsidies or pre-kindergarten initiatives.



Area of Assistance	How the City/County Can Help	How the State Can Help
Land Use, Zoning, and Building codes	<ul style="list-style-type: none"> → Establish clear and supportive regulations for child care providers to ensure safety, quality, and compliance. → Streamline licensing processes, zoning regulations, building code adjustments and health and safety requirements to facilitate the establishment of new child care facilities. 	<ul style="list-style-type: none"> → State legislation to support inclusionary zoning for child care facilities—help address issues across multiple jurisdictions such as cities, counties and unincorporated areas, to address needs across the region → Remove barriers to child care facilities in licensing processes, building code requirements and building requirements that are not relevant to and are expensive to remedy for family child care providers.
Area of Assistance	How the City/County Can Help	How the State Can Help
Research and Policy	<ul style="list-style-type: none"> → Conduct a comprehensive needs assessment to understand the demand for child care services within the city. This assessment should consider population demographics, working parents' needs, and gaps in existing child care availability. 	<ul style="list-style-type: none"> → Collect and analyze data related to the child care sector on a regular basis. This includes information on the availability of child care slots based on expressed family preferences, utilization rates, workforce demographics, and other relevant data points. The data collected can inform policy decisions, resource allocation, and future planning efforts.
Area of Assistance	How the City/County Can Help	How the State Can Help
Monitoring and Evaluation	<ul style="list-style-type: none"> → Resources and economic development staff are able to assess the economic impact of new grants and subsidies on the child care sector. 	<ul style="list-style-type: none"> → Often have the responsibility for developing and implementing regulations and standards for child care providers. They establish licensing and credentialing requirements, health and safety guidelines, and quality standards to ensure the well-being and



	<ul style="list-style-type: none"> → Develop economic and spatial data to track where new businesses have located, or where existing businesses have expanded, and multiplier effects of that growth on local communities. 	<p>development of children in care. These can be developed to define quality care in ways that support a wider range of family needs and preferences; in ways that reduce barriers for providers of different types being able to participate in the formal care system; and to recognize both experiential and educational pathways to support providers in their professional development.</p>
Area of Assistance	How the City/County Can Help	How the State Can Help
Housing and Transportation Policy	<ul style="list-style-type: none"> → Incorporate child care considerations into land use planning. → Ensure that zoning and development regulations allow for the inclusion of child care facilities within residential, commercial, and mixed-use areas. → Encourage developers to include dedicated space for child care centers in new building projects. → Address lack of a reliable and safe transit system a significant barrier to workers. → Incorporate considerations into planning a system of transportation that can meet the needs of thousands of new workers in the region. → Ensure that child care providers are helping in the design for the needs for 	<ul style="list-style-type: none"> → Incorporate child care considerations into land use planning. → Ensure that zoning and development regulations allow for the inclusion of child care facilities within residential, commercial, and mixed-use areas. → Encourage developers to include dedicated space for child care centers in new building projects. → Consider the needs of child care providers and workers in state policies and investments in transportation systems. → Address lack of a reliable and safe transit system a significant barrier to workers and plan a system of transportation that can meet the needs of thousands of new workers in the region. → Ensure that child care providers are helping in the design for the needs for parents and child care workforce from home to care (which may be



	<p>parents and child care workforce from home to care (which may be close to school, their homes or their work).</p> <ul style="list-style-type: none"> → Address discrimination child care providers face when trying to rent homes from which to operate child care businesses. → Support child care providers in their home ownership efforts. → Provide rental assistance and housing vouchers for child care workers. 	<p>close to school, their homes or their work)</p> <ul style="list-style-type: none"> → Address discrimination child care providers face when trying to rent homes from which to operate child care businesses. → Support child care providers in their home ownership efforts.
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Area of Assistance	How the City/County Can Help	How the State Can Help
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<p>Community Engagement</p>	<ul style="list-style-type: none"> → Launch public awareness campaigns to highlight the importance of quality child care and educate parents and employers about available resources and services. → Use public engagement staff and resources to support child care needs assessment and landscape scan. → Resource the work of community-based organizations that are helping to develop child care access and affordability strategies and/or supporting the development of a child care workforce. 	<ul style="list-style-type: none"> → Launch public awareness campaigns to highlight the importance of quality child care and educate parents and employers about available resources and services. → Use staff of lead agency for child care to connect to child care workers, providers and parents in both needs assessment and landscape scan.
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How to Connect with Partners in Your State

The Child Care for Every Family Network is excited to help you find key advocacy partners in your state.

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Additional Resources

- U.S. DOL Child Care Prices in Local Areas:
<https://www.dol.gov/sites/dolgov/files/WB/NDCP/Fact-sheet-English-508-compliant.pdf>
- USDOL PLA Resource Guide:
<https://www.dol.gov/general/good-jobs/project-labor-agreement-resource-guide>
- Construction Career Pathways Toolkit:
<https://www.oregonmetro.gov/sites/default/files/2019/11/04/construction-career-pathways-regional-toolkit-20191029.pdf>
- Best Practices for a Diverse Workforce in Construction:
<https://policygroupontradeswomen.org/wp-content/uploads/2022/02/Finishing-the-Job-v.9.1-12.2.2021-1.pdf>
- Policy Group on Tradeswomen's Issues:
<https://policygroupontradeswomen.org/pgti-cheatsheets/>

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This toolkit was developed by [Estolano Advisors](#) on behalf of Child Care for Every Family Network.





The Child Care for Every Family Network's Shared Values



Valuing Child Care

We believe child care must be fundamentally valued and seen as a part of the full spectrum of care each of us deserves from early days to end of life. Child care is a shared public good with innumerable benefits, but to deliver on its potential it requires a robust government response. Therefore, governments at every level (from local to national) must prioritize and adequately invest public dollars in building and implementing an equitable child care system that is accountable to the people who need it and who provide care through it. Child care for us includes early care and education programs for infants, toddlers, preschoolers, and school-age kids.

Building an Inclusive System

We need a child care system designed for all types of providers (in a center, school, community or home setting) that give options to meet the needs of *all* families (defining families broadly and inclusively) and that supports the well-being of children (recognizing their inherent dignity, equality, and inalienable rights). We reject a scarcity mindset that pits families, providers, and children against each other for too-scarce resources. When families and providers are well-supported, children thrive. Everyone thrives.

Centering Anti-Racism

Our work is guided by a shared acknowledgment that the current system of caregiving in this country is rooted in systemic racism and upholds practices that continue to harm Black, Indigenous, and People of Color (BIPOC) communities. Today's system remains stigmatizing, insufficient, and narrow, and pays unsustainably low wages to providers.

Therefore, any steps we take together must be in service of realizing our vision, rather than upholding a fundamentally flawed system. We must change our ways to get better results for all.

Centering Gender Justice & Intersectional Analysis

The burdens of our flawed child care system are disproportionately shouldered by women, particularly women of color (specifically Black, Latinx, Indigenous, and immigrant women), who are paid a lower income and whose labor, both in our families and in our workplaces, has been and continues to be undervalued. We trust women and transgender and gender queer people to make the best choices for themselves and their lives and see access to child care as an essential element of reproductive justice. Therefore, to find solutions we must understand the child care system through an intersectional analysis that includes race, gender, ability and class.

Honoring Experiences & Voices

We believe in building the system from the bottom up and authentically centering the voices and experiences of Black, Indigenous, and People of Color (BIPOC) women and communities, immigrants, children with disabilities, and those most directly impacted by the failings and barriers in the current child care system—both families and providers. In our work, we seek to support engagement through language access and financial support, whenever possible. The knowledge and lived experiences of these stakeholders will shape fairer and more effective policies and practices.



For more information about the Child Care for Every Family Network and our partners, visit childcareforeveryfamily.org.

