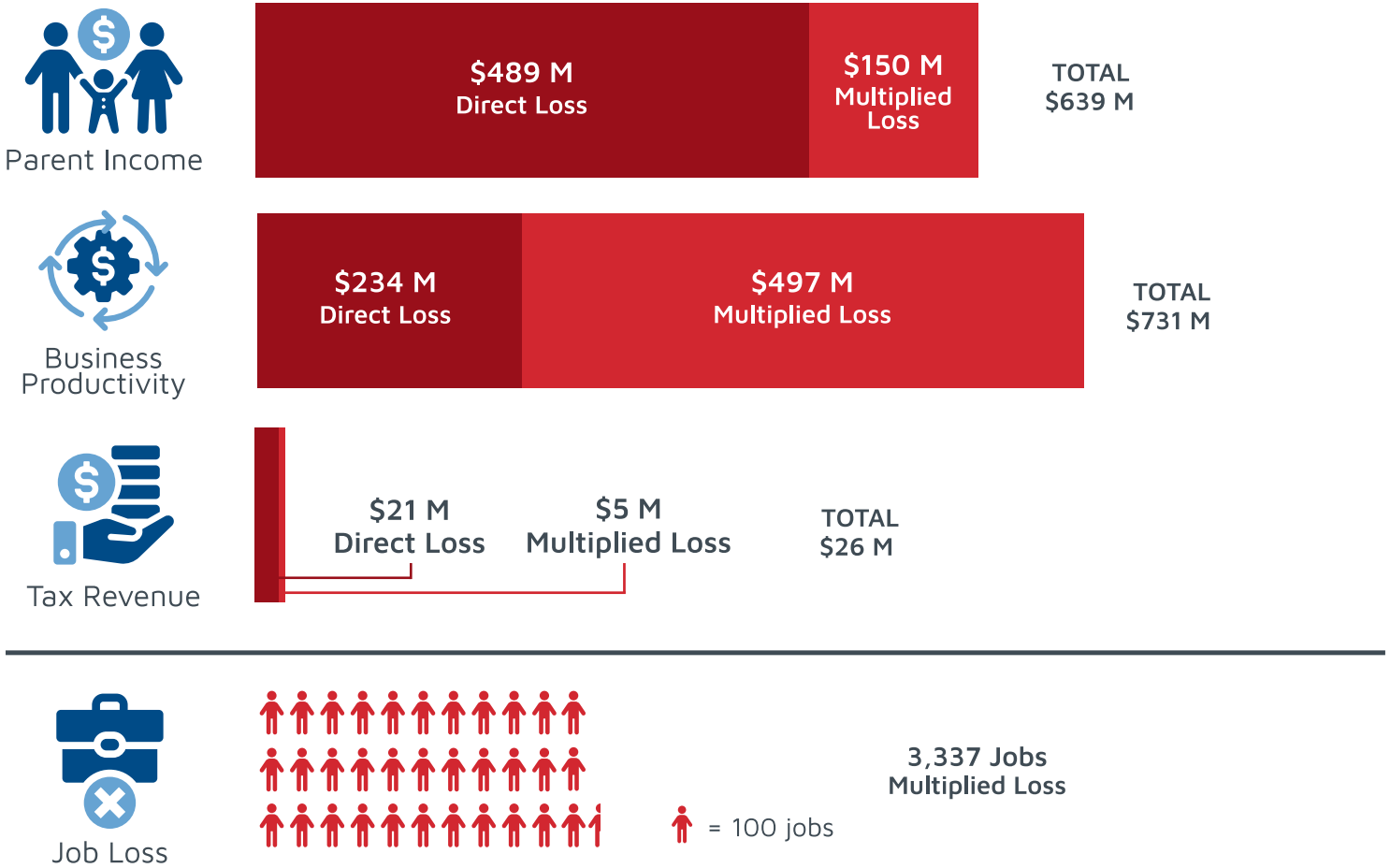
Unlocking Nebraska's Potential:

Child Care as a Key to Nebraska's Economic Future

Eric Thompson, PhD, Bureau of Business Research, University of Nebraska—Lincoln
Mitch Herian, PhD, Bureau of Business Research, University of Nebraska—Lincoln
Tammie Fischer, PhD, Bureau of Business Research, University of Nebraska—Lincoln
Jen Goettemoeller Wendl, MSW, Prairie Oak Publishing
Katie Bass, PhD, First Five Nebraska
Sara Brady, PhD, First Five Nebraska

NECHAMBER FOUNDATION
BUREAU OF BUSINESS RESEARCH
College of Business
firstfive NEBRASKA

Previous 2020 Study



Bureau of Business Research, & First Five Nebraska.(2020) *The Bottom Line: Economic Impact of Inadequate Child Care Access in Nebraska*

Updated and Expanded Goal

What is the current economic impact?

Change since 2020

Experiences of Nebraska industry leaders

How does Nebraska compare to other Midwestern states?

Comparison of key industry indicators

Comparison of economic impact

What innovative policies are other states implementing?

Public-private partnerships with the business community

Statewide policies to address child care access

Defining Inadequate Access to Child Care

- Based on parent self-report survey data

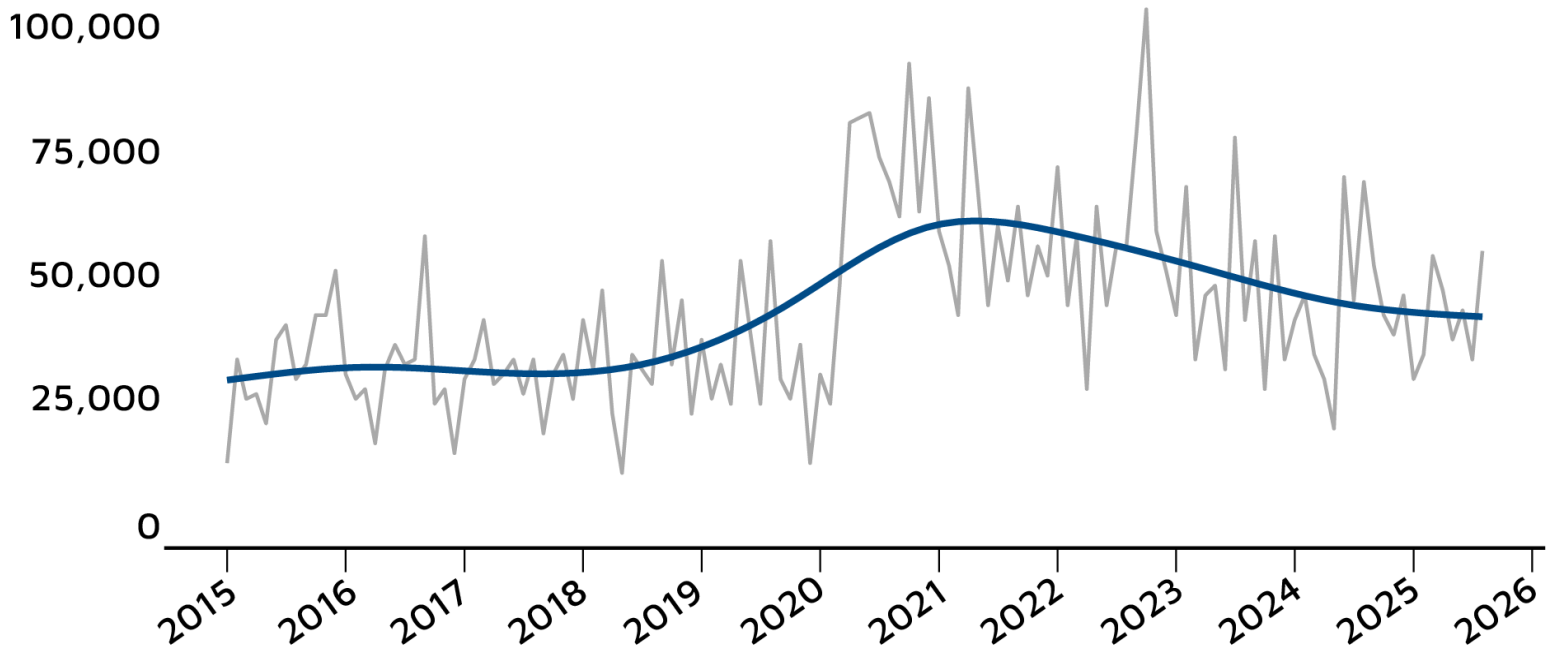
Inadequate Access to Childcare:
Child care concerns impacting work

- Inaccessibility due to cost
- Lack of available child care
- Options that are safe and reliable

Is the child care system meeting the needs of working parents?

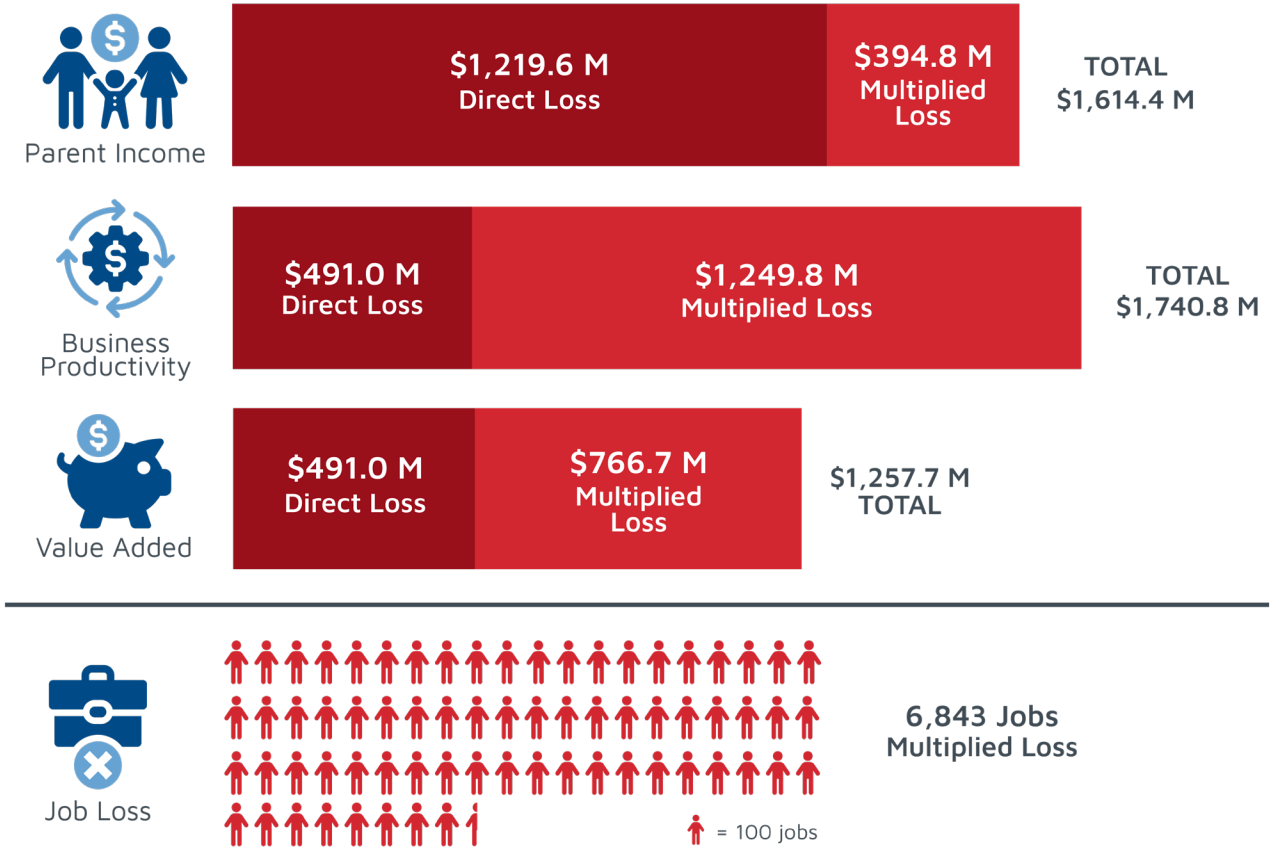
Changes to Impacts on Workers & Businesses

Figure 1. Number of Employed People Not at Work Due to Child Care Problems



Source: U.S. Bureau of Labor Statistics. Current Population Survey. Accessed 9/12/25 from https://data.bls.gov/timeseries/LNU02096055

Economic Impact



Source: UNL BBR Calculations

Nebraska Industry Leaders

Nine interviews with business leaders

Consensus on the impact of lack of adequate child care

- Impacts productivity
- Negatively affects recruitment and retention
- Increases costs

Strategies used to address lack of adequate child care

Collaborative approach

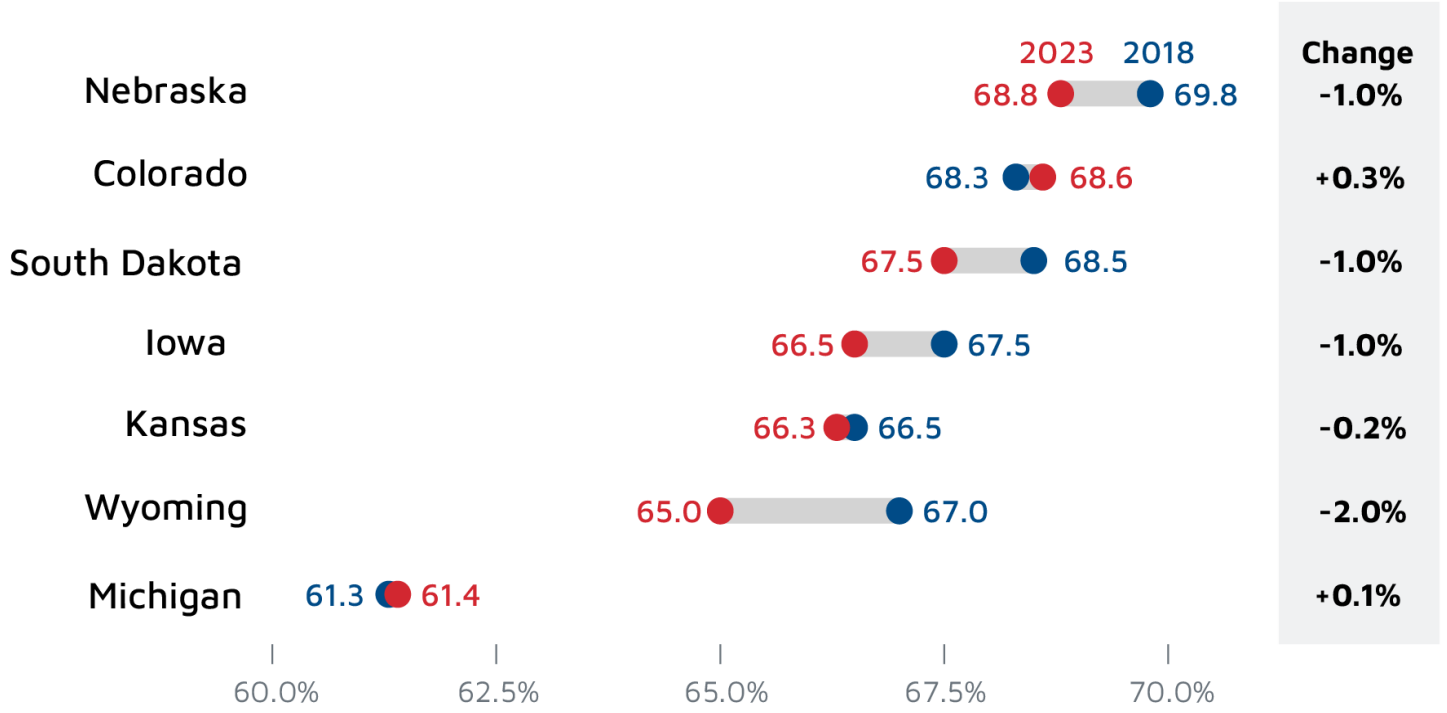
Partnership between business and various community entities

Business-led approach

Businesses providing child care directly to employees and the public

Multi-State Comparison: Industry Measures, Labor Market

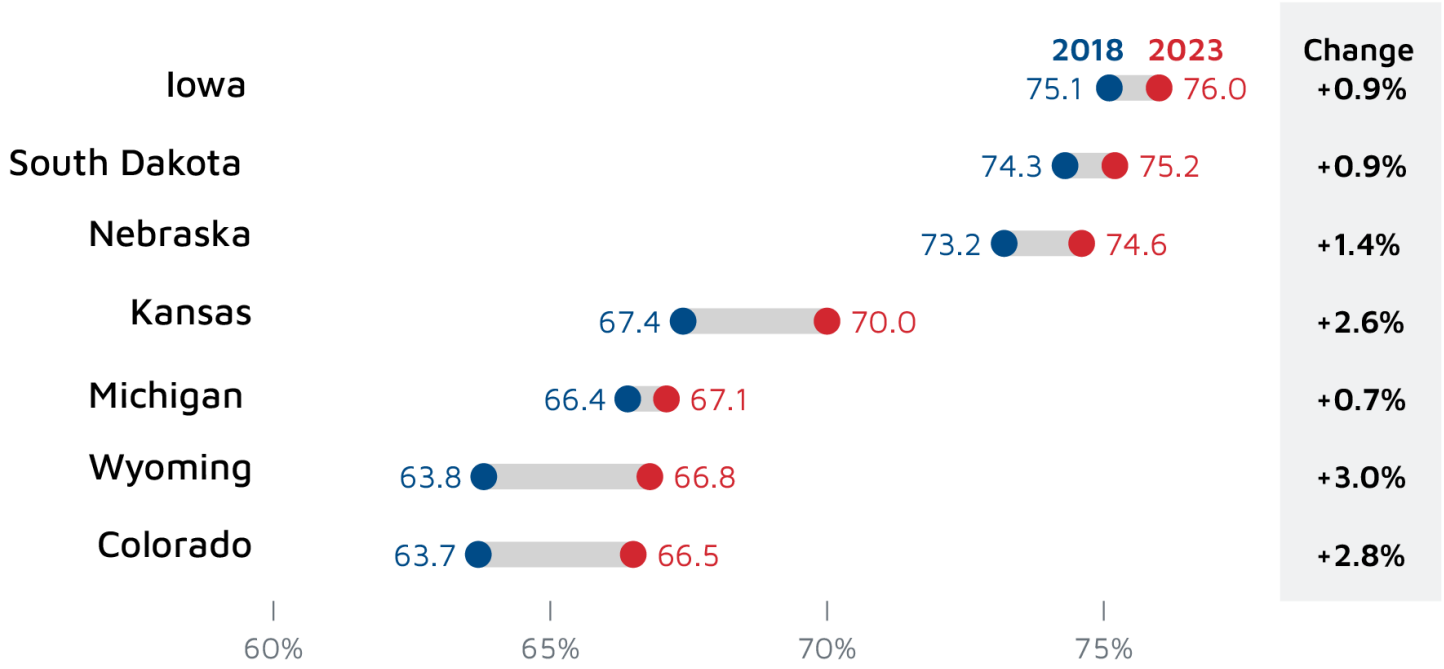
Percentage of the Population Over 16 in the Labor Force in 2018 and 2023



Source: U.S. Census Bureau. 2018 and 2023 American Community Survey 5-year estimates. Table DP03.

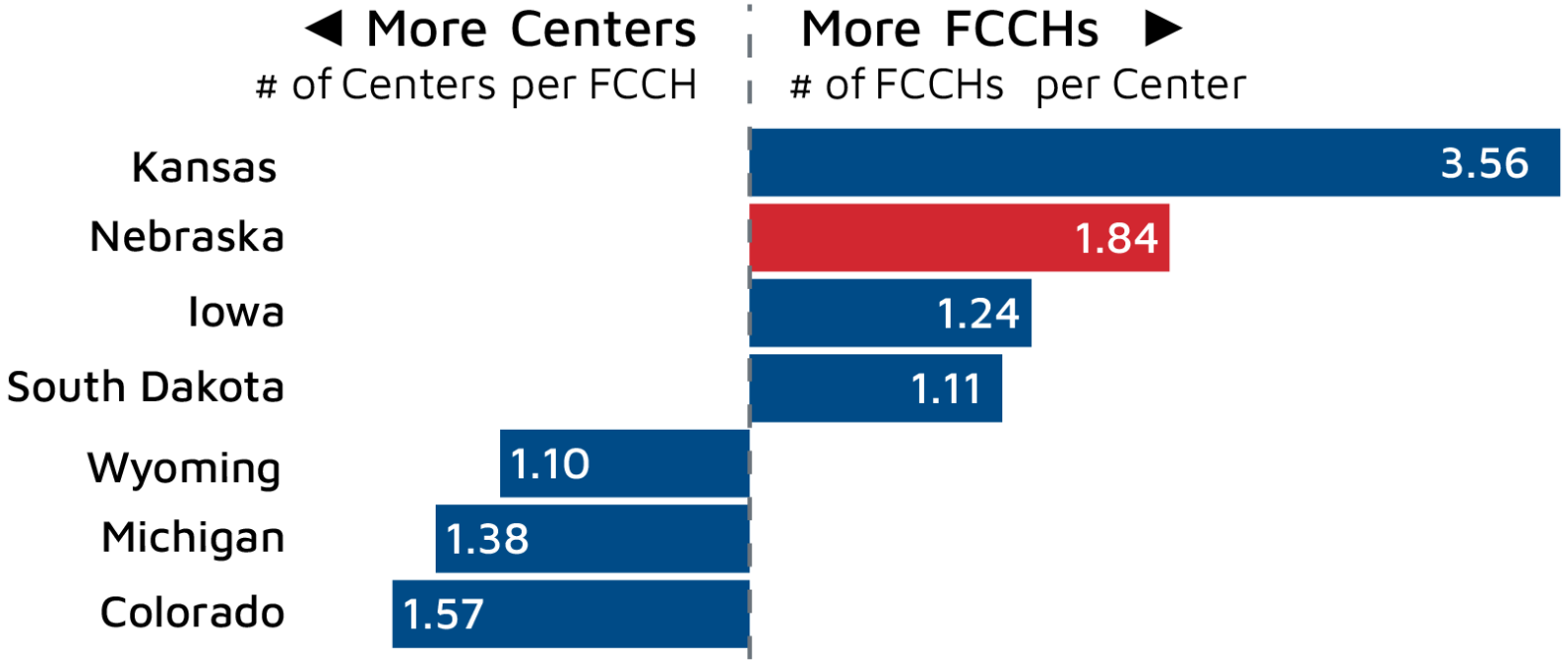
Multi-State Comparison: Industry Measures, Potential Need for Child Care

Percentage of Children Under 6 with All Available Parents in the Labor Force in 2018 and 2023



Source: U.S. Census Bureau. 2018 and 2023 American Community Survey 5-year estimates. Table B23008.

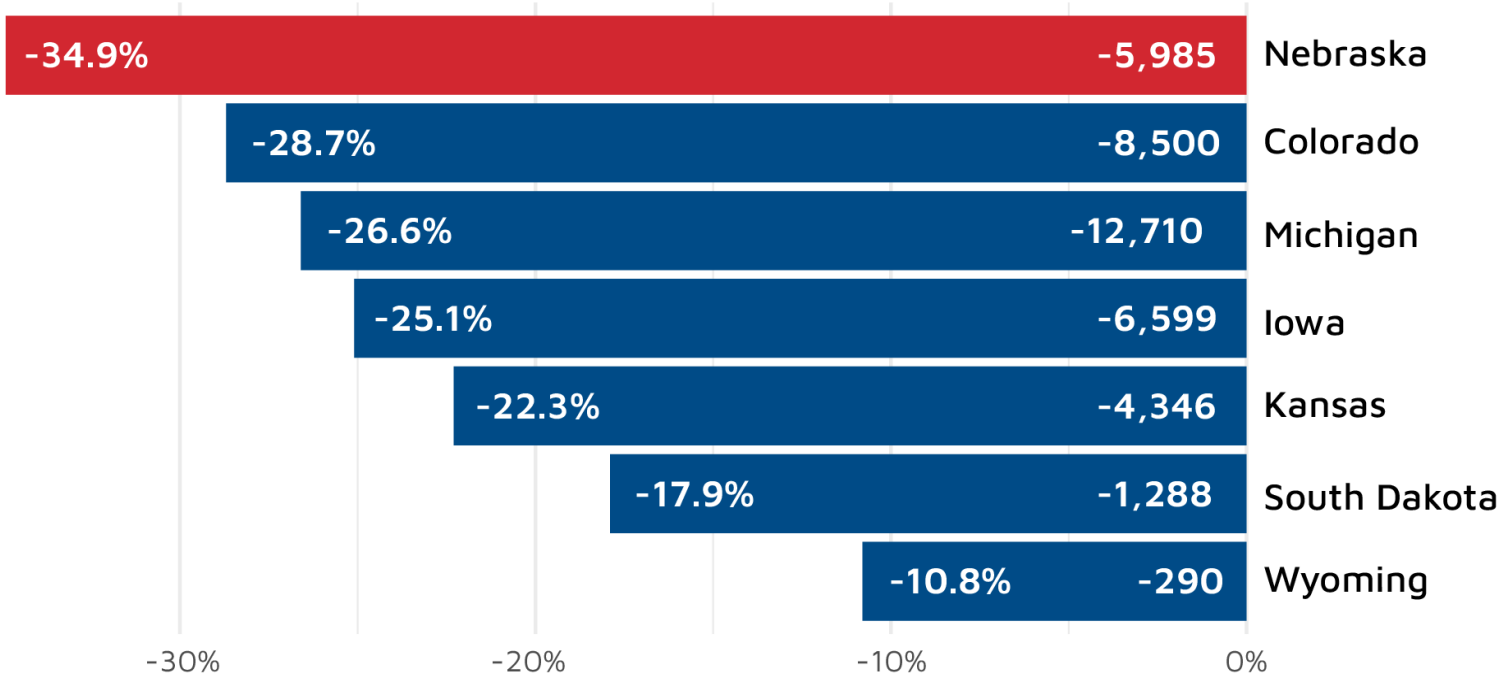
Multi-State Comparison: Industry Measures, Licensed Child Care Programs



Source: Child Care Aware of America. (2024). Annual Child Care Landscape Analysis.

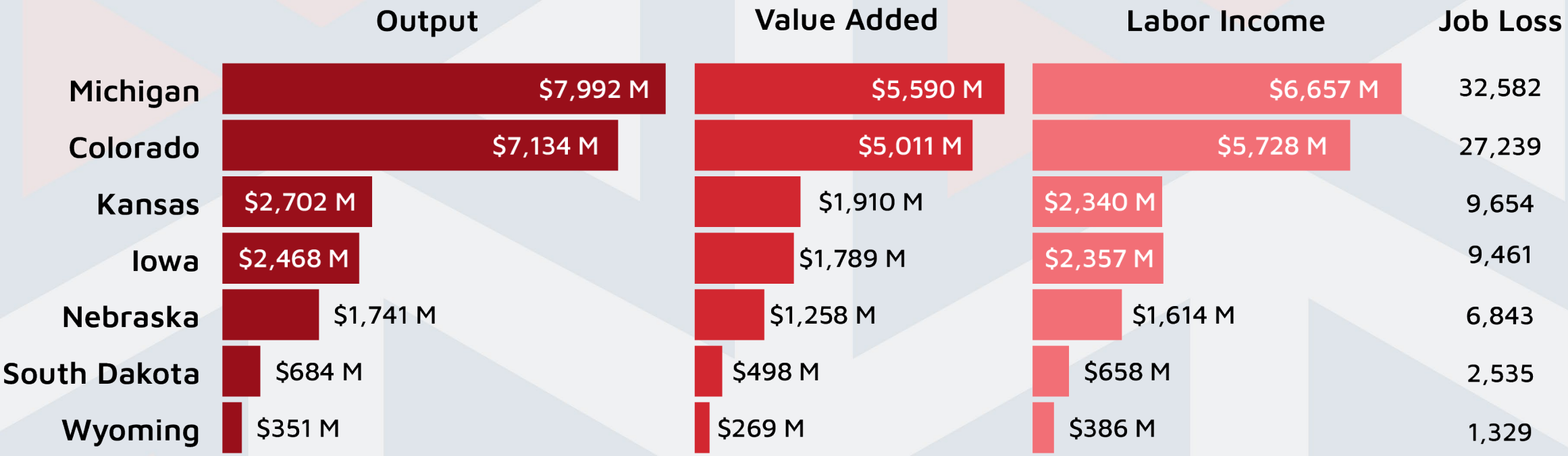
Multi-State Comparison: Industry Measures, Child Care Workforce

Estimated percent decrease in child care workers between 2018 and 2023 (includes family- and center-based providers)



Source: U.S. Census Bureau. (2024). 2018 and 2023 American Community Survey Public Use Microdata.

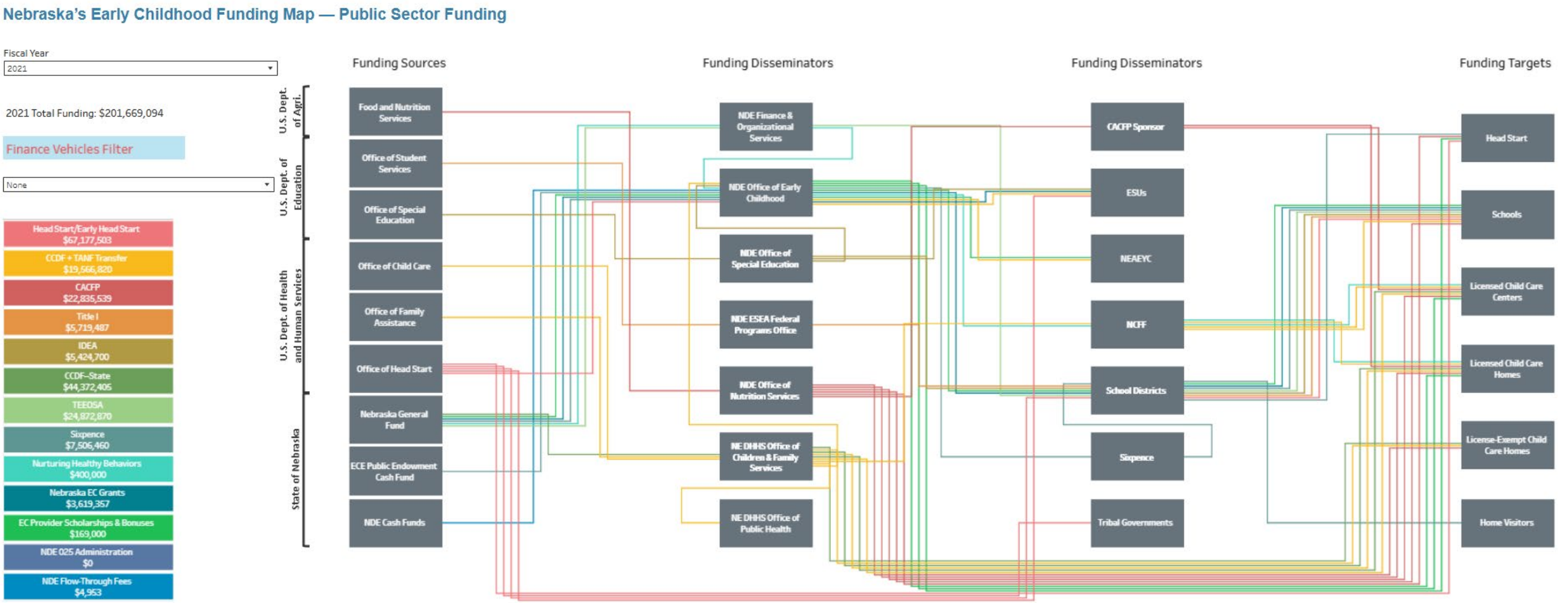
Multi-State Comparisons: Economic Impact



- More populated states have larger economic impact because of economic multipliers

- Nebraska ranks in the middle of comparator states for:
  - Lost income as percentage of state income (1.12%)
  - Lost value added as percentage of state GDP (0.68%)

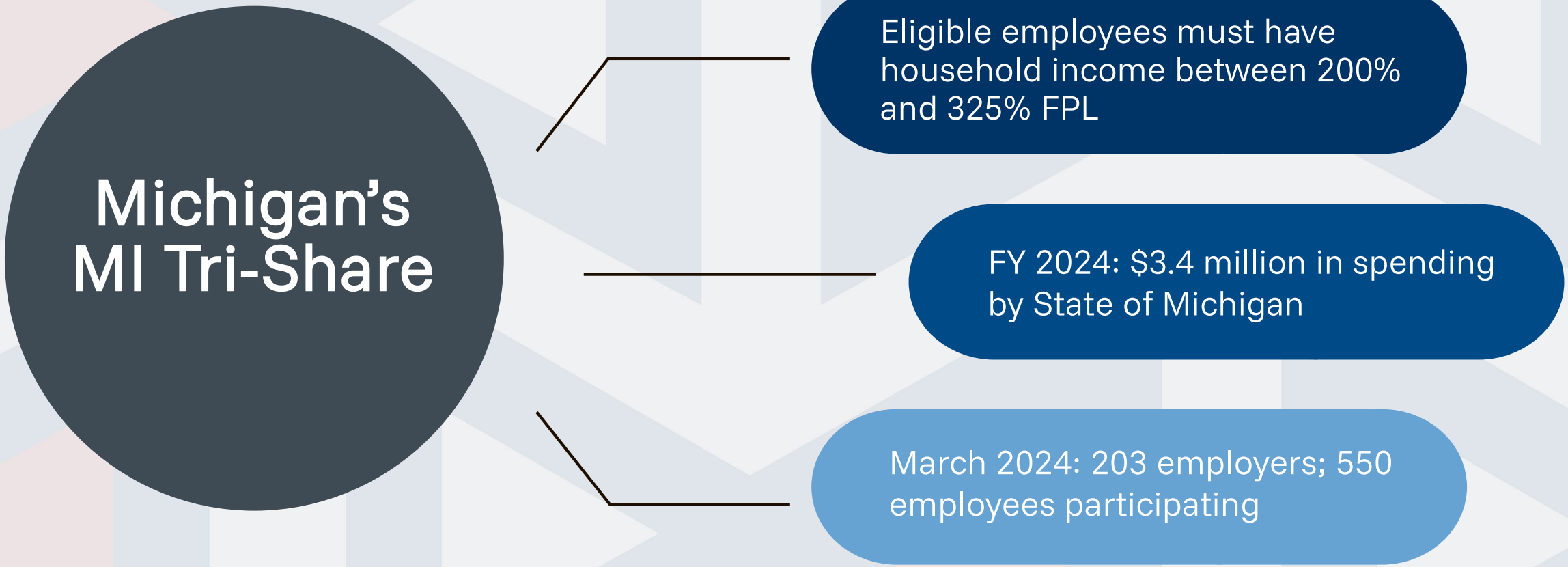
Multi-State Comparisons: Economic Investment



State Economic Policies: Overview

	Needs Assessment	State Policies Addressing Child Care	Statewide Public-Private Partnerships w/ Businesses
Michigan	✓	✓	✓
Iowa	✓	✓	✓
Colorado	✓	✓	✓
Kansas	✓	✓	✗
Wyoming	✓	✓	✗
South Dakota	✓	✓	✗

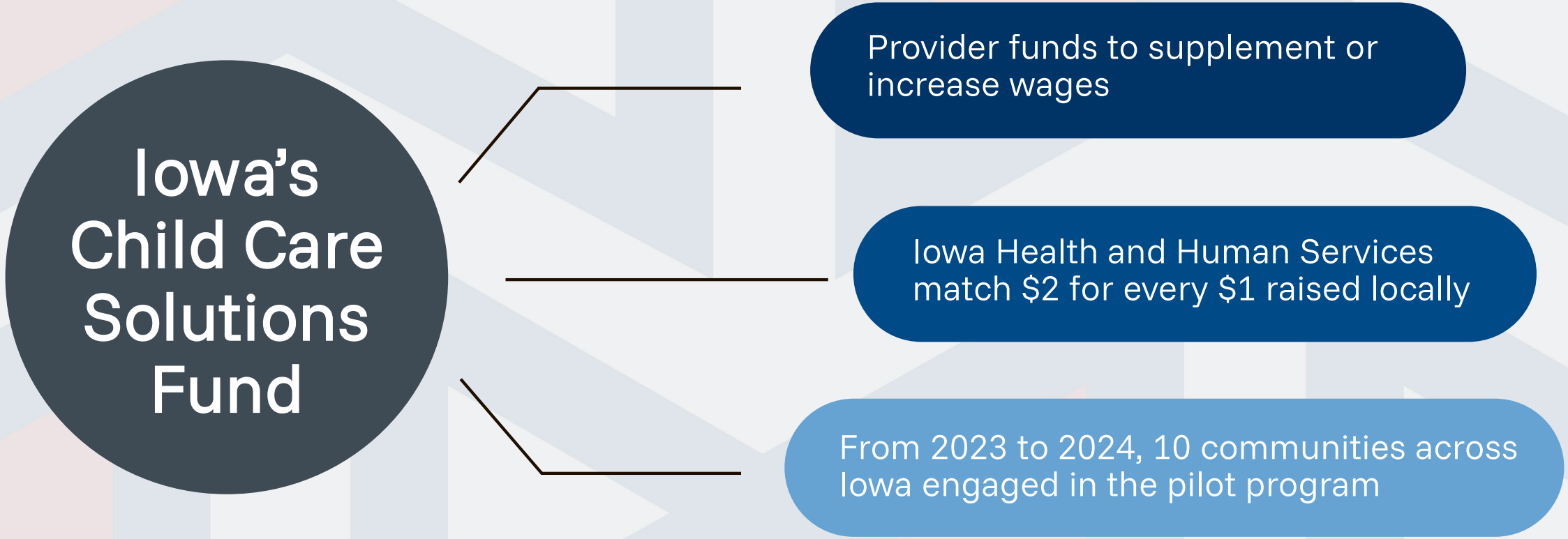
State Economic Policies: MI Tri-Share



State Economic Policies: MI Tri-Share

- Output: $5.1 million
- Value added: $3.0 million
- Labor income: $1.7 million
- Jobs: 41

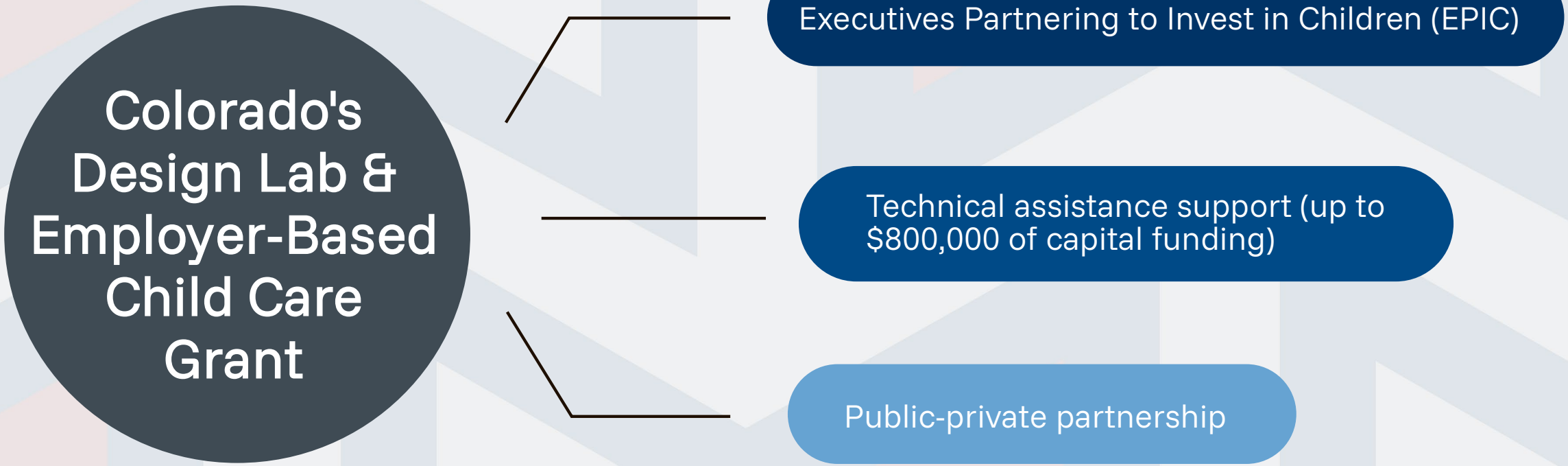
State Economic Policies: Iowa's Child Care Solutions Fund



State Economic Policies: Iowa's Child Care Solutions Fund

- Impact from business and other donations to program:
  - Output: $2.8 million
  - Value added: $1.5 million
  - Labor income: $1.0 million
  - Jobs: 34

Colorado's Design Lab & Employer-Based Child Care Grant



State Economic Policies: Colorado's Design Lab & Employer-Based Child Care Grant

- Output: $35.4 million
- Value added: $20.9 million
- Labor income: $12.9 million
- Job years: 191

Conclusion: Child Care Policy Options

Policy options focus on different outcomes, essential to identify priorities:

- Help moderate income workers afford child care
- Develop new child care slots by attracting and retaining workers in the child care industry
- Help larger employers develop new child care facilities

Conclusion: Promoting Successful Partnerships

Adequate dollar match from business is needed to ensure that any new program is most effective in drawing substantial funding from business support.

Improving the quality of available data, particularly child care capacity data and funding sources, will benefit policymakers and other stakeholders working to improve access to child care in Nebraska.

Public-private partnerships between government, non-profits and businesses have the potential to have a positive economic impact on the state. However, public-private partnerships are likely to be just one of many strategies to address inadequate child care.