

State of North Carolina

JOSH STEIN
GOVERNOR

March 10, 2025

EXECUTIVE ORDER NO. 10

ESTABLISHING THE NORTH CAROLINA TASK FORCE ON CHILD CARE AND EARLY EDUCATION

WHEREAS, access to high-quality child care and early education in a safe and nurturing environment positively impacts the brain development of young children and helps children develop skills, learn, and grow to be fully prepared for kindergarten and beyond; and

WHEREAS, ensuring access to affordable, high-quality child care and early education is a proven strategy to support overall child and family well-being, including the prevention of child maltreatment; and

WHEREAS, access to affordable child care is a central determinant in whether and how reliably parents and caregivers can participate in the labor force; and

WHEREAS, NC Child reports that child care and early education workers are among the most in demand positions but some of the lowest compensated workers in the state, with an average hourly wage of \$13 per hour in 2022; and

WHEREAS, according to the North Carolina Department of Commerce (“Commerce”), employment in the child care service industry was trending upward, growing from 35,150 workers in 2017 to just over 36,000 in 2019. As of 2021, North Carolina had 33,800 child care workers, about 3,120 workers fewer than would have been expected if the 2017-2019 growth trend continued; and

WHEREAS, according to the Economic Policy Institute, the average annual cost of infant care in North Carolina is \$11,720, 57% more per year than in-state tuition for a four-year public college; and

WHEREAS, according to the U.S. Department of Health and Human Services (“HHS”), child care is affordable if it costs no more than 7% of a family’s income, and 80% of families cannot access that standard of affordable child care; and

WHEREAS, investments in child care and early education have a high rate of economic return; and

WHEREAS, according to the U.S. Chamber of Commerce Foundation, NC Chamber Foundation, NC Child *Untapped Potential* report, \$5.65 billion is lost in economic activity in North Carolina every year due to insufficient child care availability; and

WHEREAS, one in five North Carolina employers attribute hiring challenges to employees’ lack of access to child care; and

WHEREAS, according to the National Survey of Children’s Health, in 2019 just over 9.4% of parents in the U.S. reported that child care issues caused significant disruptions to their employment, with North Carolinians experiencing disruptions above the national average at 16.8%; and

WHEREAS, post-pandemic, 25.1% of parents in the survey reported child care issues significantly impacting employment for their household, a dramatic increase over prior years; and

WHEREAS, according to Commerce and NC Child’s *Empowering Work* report, 100,000 fewer working-age parents with young children participated in North Carolina’s labor force in 2023 than in 2019; and

WHEREAS, Commerce hired the state’s first Child Care Business Liaison, established through a public-private partnership with North Carolina Department of Health and Human Services (“NCDHHS”) and Invest Early NC, to strengthen connections between government, philanthropy, and the business community around child care access and affordability; and

WHEREAS, the lack of affordable and high-quality child care and early education in North Carolina affects all 100 North Carolina counties and is acutely felt in many of our 80 rural counties; and

WHEREAS, North Carolina aims to be a leader in developing the workforce of child care and early education professionals; and

WHEREAS, pursuant to Article III of the North Carolina Constitution and N.C. Gen. Stat. §§ 143A-4 and 143B-4, the Governor is the chief executive officer of the state and is responsible for formulating and administering the policies of the executive branch of state government; and

WHEREAS, pursuant to N.C. Gen. Stat. § 147-12, the Governor has the authority and the duty to supervise the official conduct of all executive and ministerial officers.

NOW, THEREFORE, pursuant to the authority vested in the undersigned as Governor by the Constitution and the laws of the State of North Carolina, **IT IS ORDERED**:

Section 1. North Carolina Task Force on Child Care and Early Education.

A. Establishment and Purpose.

The North Carolina Task Force on Child Care and Early Education (“Task Force”) is hereby established. The purpose of the Task Force is to examine opportunities, barriers, and policy solutions to expand the supply of accessible, affordable, high-quality child care and early education options for working families with young children in North Carolina.

B. Membership.

The Task Force shall be composed of up to twenty-five (25) members appointed by the Governor. Members should represent the geographic, professional, and demographic diversity of North Carolina. Task Force members shall serve a term of two (2) years and may be reappointed to successive terms. Vacancies shall be filled by the Governor and members appointed to fill vacancies shall serve for the remainder of the unexpired term. Task Force members serve at the pleasure of the Governor. The Governor shall choose the chair from among the members.

Members shall include representatives from the following entities:

1. Lieutenant Governor;
2. North Carolina Department of Commerce;
3. North Carolina Department of Health and Human Services;
4. North Carolina Department of Administration;
5. North Carolina Office of State Human Resources;
6. North Carolina Department of Public Instruction;
7. North Carolina Community College System;

8. North Carolina General Assembly;
9. Child Care Commission;
10. NC Chamber;
11. North Carolina Partnership for Children;
12. Child Care Resource and Referral Network;
13. NC Licensed Child Care Association;
14. Employers;
15. Parent/caregiver who has navigated the child care system;
16. Child care and early education advocacy organizations;
17. Philanthropic organization; and
18. National child care and early education advisory organization.

The Task Force may establish sub-committees or work groups as necessary to carry out the Task Force's duties.

C. Duties.

The Task Force shall have the following responsibilities:

- a. Examine the role of financing in North Carolina's early childhood education system, including strengths and gaps in the current funding model and system infrastructure.
- b. Review and evaluate policy solutions that strengthen the supply of accessible, affordable, safe, and high-quality child care and early education by reviewing and establishing strategies to recruit and retain a strong child care and early education workforce, expand child care supply for the public sector workforce, and maximize compensation, opportunities, and additional supports for early childhood education providers and teachers.
- c. Identify opportunities to maximize the impact of existing funding and develop recommendations to direct new public and private investment towards gaps in system infrastructure, especially engaging with the business community.
- d. Submit a preliminary report describing Task Force activities and recommendations to the Office of the Governor by June 30, 2025 and a year-end report by December 31, 2025 and annually thereafter by December 31 of each year.
- e. Provide advice and guidance on any other matter the Governor refers to the Task Force.

D. Meetings.

The Task Force shall meet as a body of the whole monthly through June 2025 and every other month thereafter and at other times at the call of the Chair or the Governor. The Task Force may conduct meetings using electronic conferencing or other electronic means. The Committee's meetings shall be governed by the North Carolina Open Meetings Act, N.C. Gen. Stat. § 143-318.9, *et seq.*

A simple majority of the Task Force members shall constitute a quorum for the purpose of transacting the business of the Task Force.

E. Administration.

Commerce shall serve as staff and administrative support services for the Task Force.

Members shall serve without compensation but may receive necessary travel and subsistence expenses in accordance with State law and policies and regulations of the Office of State Budget and Management.

Section 2. Directives to the North Carolina Department of Commerce on Child Care and Economic Development.

Commerce shall work with businesses, local communities, and philanthropic organizations to develop strategies and resources to help employers provide child care support to their employees.

Commerce shall study the existence of economic development programs that offer enhanced incentives to companies that offer child care or family-friendly policies and share findings with the Task Force for Early Childhood Education and the Economic Development Partnership of North Carolina.

Section 3. Directives to the North Carolina Department of Health and Human Services on Early Childhood Education System Modernization.

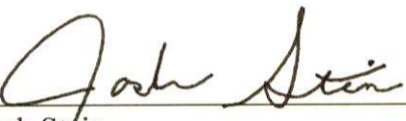
NCDHHS shall review and revise the recommended multi-year implementation plan to strengthen the Child Care Subsidy Program by transitioning from the current market rate funding model to a new, alternative funding model that reflects the actual cost of providing high-quality child care and early education.

NCDHHS shall continue to support the Child Care Commission as it finalizes updates to child care rules to maximize flexibility for early childhood education providers and increase provider participation in the early childhood education system.

Section 4. Effect and Duration.

This Executive Order is effective immediately. Section 1 shall remain in effect until March 9, 2027, pursuant to N.C. Gen. Stat. § 147-16.2, or until rescinded. The remainder of the Executive Order shall remain in effect unless repealed, replaced, or rescinded by another applicable Executive Order.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the Great Seal of the State of North Carolina at the Capitol in the City of Raleigh, this 10th day of March in the year of our Lord two thousand and twenty-five.



Josh Stein
Governor

ATTEST:



Elaine F. Marshall
Secretary of State

