

A Critical Moment For Child Care In Alaska: A Call For Collective Action

Executive Summary | October 2025

Alaska's early care and education (ECE) and child care system is in crisis. Families are under immense stress, employers face workforce shortages, and early educators are working within a system that is stretched to its limits. The stakes are high: **without reliable, affordable, high-quality child care, Alaska's economy, families, and communities cannot grow and thrive.**

The pandemic revealed both the fragility and importance of child care. Temporary federal relief funds kept most programs open, but as that support ended, complex and system-wide weaknesses were exposed. Without accessible, affordable, and high-quality care, parents are forced to leave the workforce, children lose vital early learning experiences, and employers struggle to retain staff. **The ripple effects reach every sector of Alaska's economy and community well-being.** Alaska now faces a choice: allow the child care system to continue eroding, or act decisively to strengthen it through increased policy, investment, and partnership.

This 2025 Child Care Call For Collective Action outlines current key trends and recommendations organized around three interdependent levers—**Access, Affordability, and Quality**—that together form the foundation for a stable, equitable, and sustainable early childhood system.

Access

The demand for quality child care far exceeds capacity. Alaska has only **14,000 licensed spaces**—less than half of the estimated **33,500 children** needing care. Over **61% of Alaskans** live in “child care deserts,” with especially limited access for **infants, toddlers, children experiencing disabilities, and rural families.**

- **57%** of parents report it is “difficult” or “very difficult” to find care.
- **51%** of families say child care challenges prevent full workforce participation.
- Since 2019, **the number of licensed child care programs has declined 25%**, with more closures than openings each year.



“I had to turn down a job offer because I couldn't find care for my toddler.”

(ECE Parent Survey Report 2023)

Expanding access requires more than adding spaces. Community-level infrastructure investments, targeted supports for rural and tribal programs, and reduced regulatory and administrative barriers for programs are essential to build a stronger, more accessible system. State and local coordination—

alongside business and philanthropic partners—will be essential to increasing availability and ensuring equitable access across regions.

Affordability

For many Alaska families, child care costs exceed their mortgage or rent. On average, Alaska families spend an average of **15% of household income** on care—more than college tuition.

- Infant care in centers averages **\$1,785** per month; home-based care averages **\$911**.
- **Highest costs occur in Northern and Southwest regions** due to food, utilities, and transportation expenses.



“We’re already stretched so thin—child care costs more than our mortgage, but without it, I can’t keep my job.”

(ECE Parent Survey Report 2023)

Despite clear need, only **2,900 of 33,800 eligible children** (less than 10%) are enrolled in the Child Care Assistance Program (CCAP). The 2022 Subsidy Recommendations Report identifies multiple barriers for qualifying families including: lack of awareness, burdensome paperwork, volatile income eligibility, low program participation due to reimbursement rates below true costs, and persistent stigma.

Aligning public investment with the **true cost of care** is critical. Increasing CCAP rates, simplifying eligibility, expanding outreach, and incentivizing employer participation can immediately alleviate pressure on families and stabilize program revenues. Notably, **affordability cannot be separated from access or quality—each depends on the other.**

Quality

High-quality early childhood education ensures that children are safe, supported, and learning from the start. Alongside cost and availability, **parents cite concerns about quality as one of the top barriers to care.** Quality depends on a stable, skilled, and fairly compensated workforce—yet Alaska’s early childhood educators remain among the lowest-paid professionals in the state.

- Average hourly wage for child care workers: **\$17.92**—about half the state average of **\$33.60**.
- **High turnover** undermines continuity of care and learning.
- Few programs offer benefits; only **5% of home-based programs** provide health insurance coverage.

High staff turnover disrupts children’s learning, undermines parent trust, and destabilizes programs. Between 2018 and 2022, **Anchorage alone lost 45% of its child care workforce.**



Recommended Cross Cutting Actions

Lever	Key Actions	Expected Results
Access	Expand licensed capacity, especially for infants, toddlers, and rural areas; invest in community-based infrastructure.	Increased availability of reliable care and higher workforce participation.
Affordability	Raise CCAP rates to reflect the true cost of care; simplify eligibility and application processes; expand employer partnerships.	Reduced family burden, stable program revenues, and stronger workforce retention.
Quality	Establish and invest in statewide wage and compensation frameworks; invest in professional development and culturally responsive practices.	Stable, skilled educators and improved child outcomes.

These levers are interconnected: raising CCAP rates also supports program stability and workforce compensation; expanding culturally responsive programs increases both access and quality. **A coordinated, systems-level approach will yield the strongest results.**

Programs frequently limit their own pay to keep tuition affordable, an unsustainable trade-off that erodes quality and capacity.

Strengthening quality requires establishing a statewide compensation framework, expanding access to professional development, and investing in culturally responsive training that reflects Alaska’s diverse communities. **Stable, supported early childhood teachers are the foundation** for consistent, high-quality care.



“Having a job that doesn’t provide benefits—no health insurance, no retirement—changes the picture. It’s hard to stay in this field long-term.”

(ECE Workforce Report 2023)

Recent Momentum

Over the past five years, **Alaska has made historic progress.** Lawmakers have added child care funding to the state operating budget and passed landmark legislation. A sampling of milestone steps include:

- **2023–2025:** Over **\$20 million** invested in child care program operating grants and early educator wage stipends.
- **SB 95 (2025): Expands CCAP eligibility** to 105% state median income, introduces tiered reimbursement tied to quality, and allows for payments based on true regional costs.
- **SB 96 (2025): Establishes business tax credits for employers** providing or supporting child care.

Local governments are also stepping up. **Over 30 communities across the state have active community groups/task forces working on early childhood and child care issues** including partnerships with government leaders, parents, tribal/native corporation stakeholders, businesses, and advocates. Juneau invests \$1.3M annually in operating grants and workforce apprenticeships; Anchorage dedicates roughly \$5M annually through the Anchorage Child Care and Early Education (ACCCE) Fund. **Business and philanthropic leaders**—from the Alaska Chamber to the Rasmuson Foundation—are stepping in to make child care **a shared priority for Alaska’s economic and social future.**

From Recommendations to Sustainability

Turning recommendations into action requires leadership and coordination on a statewide level—and **thread is uniquely positioned to provide leadership and support to these initiatives.** Through its programs, partnerships, and advocacy, **thread:**

- **Supports Access to Child Care** by providing free child care referrals, assisting early educators in starting up and expanding strong early childhood programs, and leading public-private partnerships.
- **Advances Affordability** by informing policy and funding needed for child care assistance and subsidy rates, and offering tools for family financial planning. **thread** also provides eligibility services directly to families participating in the Child Care Assistance Program in Northern and Southeast Alaska.

- **Improves Quality of Care and Education** through Alaska SEED and Learn & Grow—both early childhood systems housed and managed by thread to advance workforce supports and early education program quality through frameworks that offer targeted training, technical assistance, culturally responsive guidance, and financial resources.

In each domain, **thread** serves as a systems integrator, data translator, and trusted backbone organization for statewide early childhood services and progress.

Conclusion

*“Alone we can do so little; **together** we can do so much.”* – Helen Keller

Alaska’s early care and education system is fragile—but not beyond repair. With collaboration, coordinated investment, thoughtful policy, and shared leadership, Alaska can build a system that is **equitable, high-quality, and financially sustainable.**

Families, employers, educators, funding partners and policymakers each have essential roles to play. The solutions are **clear and achievable:** align public funding with the **true cost of care**, stabilize the workforce through **fair wages and benefits**, and **expand access** to quality programs in every community.

By **acting now and acting together**, Alaska can ensure **every child** grows up in safe, nurturing environments, and **every family** has the support needed to thrive.

This Executive Summary is provided from the comprehensive report, *“A Critical Moment for Child Care in Alaska: A Call for Collective Action.”*