



Working Families, Working Economy:

An Examination of the Economic Impact, Supply and Demand of
the Child Care System in the Greater Omaha Chamber Region

March 2026





A Message from the President & CEO

Across our ongoing engagement with employers, the Greater Omaha Chamber consistently hears that workforce availability remains a primary factor influencing business growth, expansion, and retention decisions. While companies continue to invest in facilities, technology, and market development, access to a reliable workforce remains a key determinant of long-term success.

This perspective is reinforced through our broader regional collaboration, including discussions we facilitate through our role as navigators for the MCC region of Six Regions One Nebraska. Across these conversations, employers and community partners have continued to identify childcare availability as a contributing factor impacting workforce participation.

Recent data and employer feedback indicate that access to childcare can affect an individual's ability to enter, remain in, or advance within the region's workforce. In turn, these challenges can influence employee retention, scheduling stability, and overall labor force participation rates.

In response, the Greater Omaha Chamber commissioned First Five Nebraska to conduct a regional study to better understand the relationship between childcare availability, workforce dynamics, and impact on the regional economy. The intent of this effort is to provide a clear, data-informed baseline to support ongoing regional discussions and strategic planning among employers, childcare providers, policymakers, and community stakeholders.

This report is designed to inform decision-making and identify areas where alignment across sectors can support both workforce participation and economic growth. Continued evaluation of this issue and meaningful action from the public, private, and philanthropic sectors will be critical to maintaining a competitive business environment in Greater Omaha.

Yours in Service,

Heath Mello

A handwritten signature in black ink that reads "Heath Mello". The signature is written in a cursive, flowing style.

President & CEO
Greater Omaha Chamber

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Executive Summary

Child care providers are often described as “the workforce behind the workforce.” In order to support parents’ ability to work and, in turn, businesses’ ability to operate successfully, a child care system needs to ensure that there is sufficient child care to meet the needs of working parents (**access**) at a price they are able to pay (**affordability**) where their children are safe and have their developmental needs met (**quality**).

This report is an analysis of the child care system in the eight counties that comprise the Greater Omaha Chamber (GOC) region – Cass, Dodge, Douglas, Otoe, Sarpy and Washington counties in Nebraska and Mills and Pottawattamie counties in Iowa. Beginning with an estimate of the economic impact of inadequate child care in the GOC region, the report includes an analysis of the gap between the supply of licensed child care slots and the potential demand for those slots, then delves deeper into the factors that influence supply (program and capacity trends), demand (parent choice, income and cost) and the role of the child care workforce on both supply and demand. Key findings include:

- The estimated annual impact of inadequate child care in the GOC region, including both direct and multiplier effects, is \$1.02 billion in lost business output, \$919.2 million in lost labor income and \$738.3 million in lost value added. This leads to a reduction of 3,909 jobs in the region.
- Every county in the GOC region has a higher potential need for care than licensed child care slots. There are 4,730 more children who potentially need care than there are available licensed child care slots within a reasonable driving distance for those children – a gap of 8.3% for the GOC area.
- Since 2019, the total capacity of licensed and regulated child care programs has changed very little; however, the number of available programs has decreased, which restricts parent choices. Importantly, the number of family-based programs, which are typically more affordable, has decreased by 16.1%.
- The majority of young children in the Greater Omaha area attend child care for more than 10 hours a week (60%). On average, parents with one child in care pay \$250 per week (\$13,000 per year), whereas parents with more than one child in care pay \$250 per week (\$23,400 per year).
- Families who earn less than \$100,00 per year are less likely to utilize child care outside the home compared to families who earn more than \$100,000 (32% and 68%, respectively) but are significantly more likely to quit or change a job due to trouble accessing child care (29% and 12%, respectively).
- The annual turnover rate for the child care workforce in the Greater Omaha Area is 19.0% with just 32% of the workforce in the field for at least 5 years.

The Greater Omaha Chamber has the opportunity to improve child care access, affordability and quality in the region. Recommendations include:

- Continue to advocate for state child care assistance policies that help low income families access child care in order to participate in the labor force.
- Encourage child care businesses to become members in the Greater Omaha Chamber and examine current barriers that may be preventing these small business owners from becoming members.
- Develop a resource library for member businesses who may be interested in providing child care as an employee benefit. These resources should include potential models for businesses (e.g., on-site or near site care, contracts with child care providers to reserve slots for employees, and tuition assistance) along with employer resources and incentives.

- Evaluate and consider replicating initiatives that have been successful in other communities, like tuition assistance programs for low- and middle-income families who do not qualify for state child care assistance, mentorship programs designed to create more family child care programs, or engaging with Mission Driven Finance to bring the Childcare Access Real Estate (CARE) Investment Trust to the Greater Omaha Area.
- Incorporate child care into already existing Greater Omaha Chamber tools and resources like the Nebraska Resource Center partnership with the Nebraska Department of Veterans' Affairs and GOC Chamber Councils through the addition of an Education Council.

Introduction

Access to affordable and reliable quality child care is fundamental to a thriving economy. This report describes the state of child care in the eight-county region of the Greater Omaha Chamber (GOC).¹ Led by First Five Nebraska (FFN) and including analysis from early care and education and economics experts from Kidsights Data at the University of Nebraska Medical Center, the Buffett Early Childhood Institute (BECI) at the University of Nebraska, the Bureau of Business Research (BBR) at the University of Nebraska–Lincoln and the Nebraska Department of Labor, the report addresses the economic impact of lack of adequate child care in the GOC region, the supply and demand for child care in the region and the workforce to meet the demand.

For the child care system to function well for children, working parents and the business community, it must, at minimum, meet the following criteria. First, there must be sufficient **access** to child care. This means there are enough available child care slots to meet the needs of working parents and that parents can choose the child care setting that works best for their family.^{2,3} A second key criteria is **affordability**. The available child care must be within a price range so that families who need access have the financial capability to enroll their children.^{4,5} Finally, **quality** is important. Accessible and affordable child care must be safe and reliable, both to ensure that parents are able to focus on work while away from their children, and that children can reap the long-term benefits of quality early education.^{6,7}

Research has consistently demonstrated, however, that parent concerns about child care routinely encourage some parents to reduce or interrupt their participation in the labor market. Table 1 shows the average impact of child care concerns on five key indicators of parent labor force participation: absenteeism, turnover, changing from full-time to part-time employment, choosing not to change from part-time to full-time employment and choosing to forgo a promotion opportunity. The impact calculations are based on five national studies, three that were conducted prior to the COVID-19 pandemic^{8,9,10} and two that were conducted within two years after the COVID pandemic,^{11,12} which severely interrupted child care across the country.¹³ Parent concerns about child care may be related to access, affordability or quality—the studies do not differentiate the child care concern. They do, however, indicate that a substantial portion of parents with young children are self-reporting that the child care system is not adequately meeting their needs and, therefore, leads to interruptions to their labor force participation.

Table 1. Impacts on Parent-Workers Due to Child Care Concerns

Impact	Average Rate
Percent of individuals with child care-related absenteeism	41.2%
Annual days of absenteeism	13.6 days
Percent of annual employee turnover related to child care	10.4%
Length of unemployment due to turnover	36 weeks
Unable to go from part time to full time (single parent)	13.5%
Unable to go from part time to full time (married parent)	12.5%
Went from full time to part time (single parent)	22.1%
Went from full time to part time (married parent)	20.5%
Turned down a promotion (single parent)	18.0%
Turned down a promotion	16.2%

Source: BBR calculations. Table adapted from Nebraska Chamber of Commerce & Industry (2025). *Unlocking Nebraska’s Potential: Child Care as a Key to Nebraska’s Economic Future*.

This report will estimate the economic impact of inadequate child care to the Greater Omaha area. Then we will turn to the child care system as it exists today outlining the data on the supply of child care and the demand for that care and how the imbalance between the two impacts businesses and working parents in the Greater Omaha area. The report concludes with a review of the early care and education workforce data in the Greater Omaha area.

Economic impact of inadequate child care

To estimate the economic impact of inadequate child care for the GOC region, BBR economists used IMPLAN economic modeling software¹⁴ as outlined in the methodology from the recent report, [Unlocking Nebraska's Potential: Child Care as a Key to Nebraska's Economic Future](#).¹⁵ Utilizing the Census Bureau's American Communities Survey 5-year, BBR calculated the number of married-couple, single-male and single-female households with children under age 5 (See [Appendix A](#) for more information on methodology). Applying current labor force participation rates, BBR then calculated the number of full-time and part-time workers for each household type with a child under age of 5 (See Table 2).

Table 2. Estimated Number of Employed Parents with Children Under Age 5 by Household Type in the Greater Omaha Area

Household Type	Full-Time	Part-Time	Total
Married Couple	44,103	9,255	53,357
Single Male	1,941	407	2,348
Single Female	4,451	934	5,385
Total	50,495	10,596	61,091

Source: UNL BBR Calculations

After establishing the number of employed parents with a child under age 5 for the region, BBR economists estimated the cost for working parents with young children when inadequate access to child care leads to 1) absenteeism, 2) turnover, 3) changing from full-time to part-time employment, 4) choosing not to change from part-time to full-time employment and 5) choosing to forgo a promotion opportunity (See Table 1), as shown in Table 3.

Table 3. Estimated Lost Annual Income of Omaha Area Parents Due to Inadequate Child Care (in millions)

	Married	Single Male	Single Female	Total
Absenteeism	\$41.5	\$0.9	\$1.7	\$44.1
Turnover	\$269.2	\$6.2	\$11.4	\$286.7
Remaining Part-Time	\$51.2	\$1.1	\$1.4	\$53.7
Full- to Part-Time	\$216.2	\$4.5	\$5.9	\$226.6
Forgoing a Promotion	\$55.4	\$1.4	\$2.5	\$59.3
Total	\$633.5	\$14.1	\$22.9	\$670.5

Source: UNL BBR Calculations

Employee turnover and absenteeism are expensive to employers. Table 4 estimates the average annual loss of business output due to parent-employee disruptions from inadequate child care (See [Appendix A](#) for more information on methodology).

Table 4. Estimated Annual Costs to Greater Omaha Businesses Due to Inadequate Child Care (in millions)

	Married	Single Male	Single Female	Total
Absenteeism – Replacement Costs for Hourly Workers	\$20.7	\$0.5	\$0.9	\$22.1
Absenteeism – Productivity Loss for Salary Workers	\$137.0	\$3.1	\$5.6	\$145.6
Turnover	\$96.0	\$2.2	\$4.0	\$102.2
Total	\$253.7	\$5.7	\$10.5	\$269.9

Source: UNL BBR Calculations

The combination of lost wages for workers (Table 3) and lost business output (Table 4), displayed in Table 5, represent a direct economic impact of inadequate child care on the Greater Omaha area economy. An additional direct impact, the impact on value added, is also relevant. Value added is the difference between output (the total value of production) and the value of intermediate goods and services purchased as inputs to production.¹⁶

The direct losses displayed in Table 5 also create a multiplier impact, which represents the ways that lost parental wages create a ripple effect through the economy. If parents lose income due to inadequate child care, they will spend less throughout the economy.

Multiplier impacts are estimated using the IMPLAN model. As shown in Table 5, direct impacts are greatest for lost labor income, but multiplier impacts are largest for business output and value added. The total impact due to inadequate child care is the sum of the direct and multiplied losses. The total impact is a loss of \$919.2 million in labor income, \$1.02 billion in business output and \$738.3 million in value added. This leads to 3,909 fewer jobs in the Greater Omaha area. Additionally, these economic losses lead to a \$36.53 million loss in state income tax revenue. Ninety-one percent of households with children under age 6 within the Greater Omaha area live in Nebraska.¹⁷ Therefore, most of the lost state income tax revenue would have accrued to the State of Nebraska while the balance would have accrued to the State of Iowa.

Table 5. Estimated Annual Economic Impact of Inadequate Child Care in Greater Omaha Area

Type of Impact	Output	Value Added	Labor Income	Employment
Direct	\$269.9 million	\$269.9 million	\$670.5 million	0
Multiplier	\$745.6 million	\$468.5 million	\$248.7 million	3,909
Total	\$1,015.4 million	\$738.3 million	\$919.2 million	3,909

Source: UNL BBR Calculations

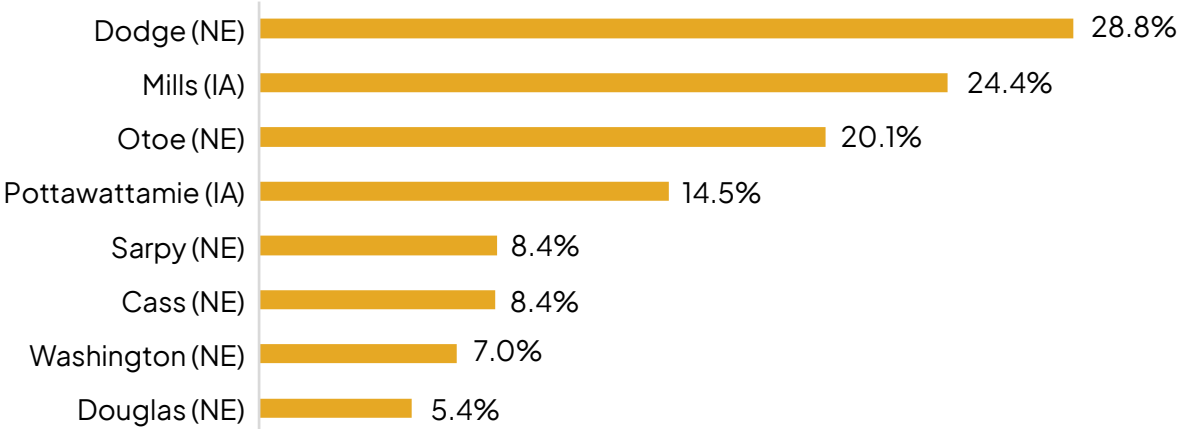
The economic impact of lack of adequate child care in the Greater Omaha area is substantial. As mentioned previously, the research used to create the estimates is based on parent self-report data about child care concerns but does not directly state whether the concern is related to access, affordability, quality or some combination thereof. The next sections of the report will explore data on the child care system in the Greater Omaha area to illuminate the role of access, affordability and quality for the region.

Supply and demand for child care: The child care gap and access to child care

There are more than 77,000 children under age 6 in the GOC area and for the majority (74%), all parents are in the labor force.¹⁸ This means more than 56,000 children under age 6 in the eight-county region covered by the Greater Omaha Chamber will potentially need child care. However, analysis from Bagley and Smith (2025) at the Buffett Early Childhood Institute ([Appendix B](#)), shows that there are less than 53,000 licensed child care spots in the same region. By comparing the potential demand for child care (defined as the number of children under 6 with all available parents in the workforce) to the supply of licensed care (measured by the number of licensed child care slots for programs that serve children under 6) and factoring in accessibility (drive time), Bagley and Smith estimate there is a gap of 8.3% in the GOC area. In other words, there are 4,730 more children who potentially need care than there are available licensed child care slots within a reasonable driving distance for those children.

The gap varies by county, from a high of 28.8% in Dodge County to a low of 5.4% in Douglas County (Figure 1). However, every county in the GOC region has a higher potential need for child care than supply of licensed child care slots. Whereas Douglas County may have the lowest gap percentage, it houses the city of Omaha, which attracts workforce from surrounding communities, and is likely serving regional child care needs for the surrounding communities.

Figure 1. Child Care Gap Percentage by County



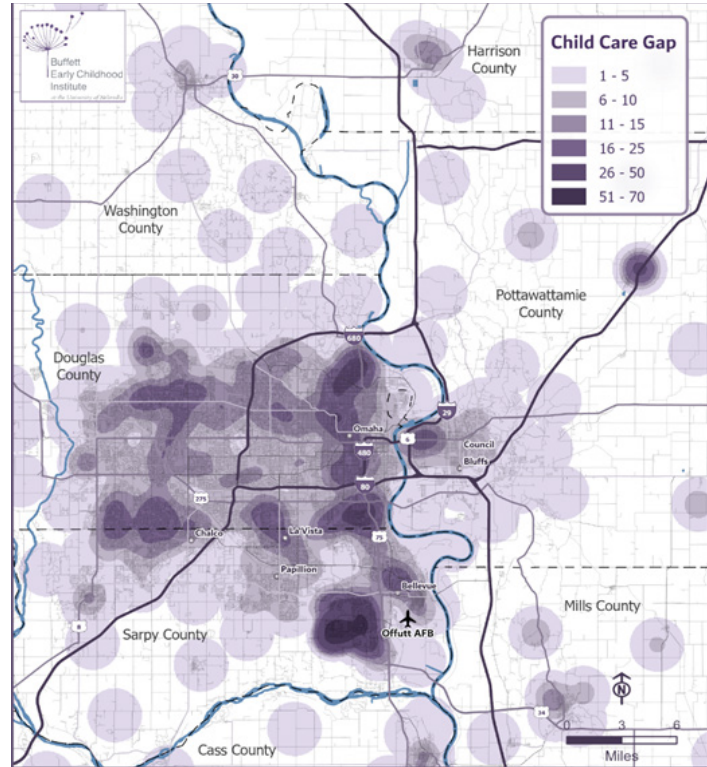
Source: Buffett Early Childhood Institute. (2025). <https://childcaregap.org/>

Figure 2. Child Care Gap Density in the Omaha Metro Area

Even within counties, there are significant variations in child care gap by neighborhood.

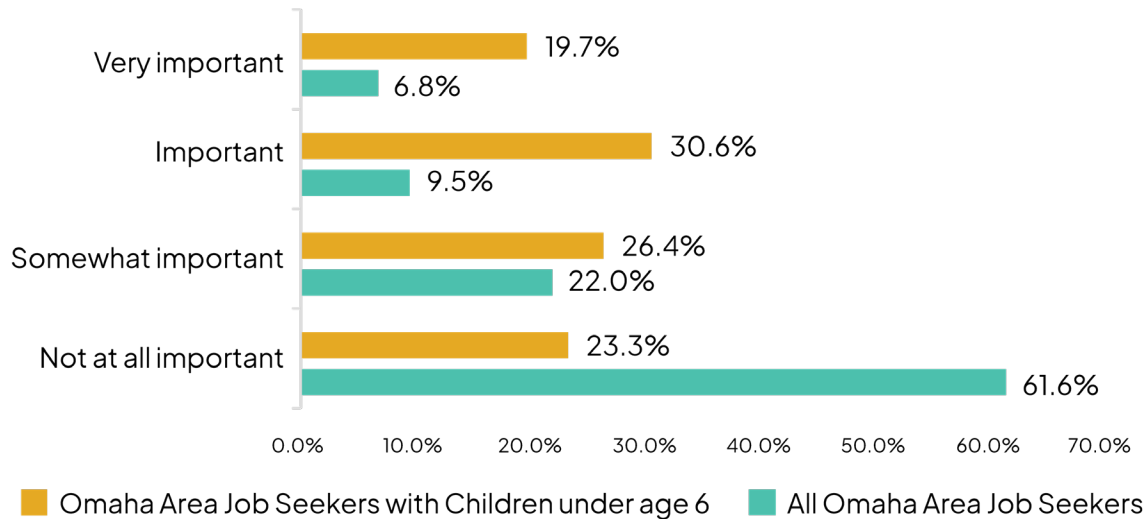
Figure 2 shows the substantial variation in the child care gap in the Omaha Metro area with the highest gap percentages near the Offutt Air Force Base.¹⁹

The parents of young children in the Greater Omaha area are experiencing this gap firsthand. According to the Nebraska Department of Labor’s Labor Availability Study (See [Appendix C](#)), over half of Omaha area job seekers with children under age 6 say child care is very important or important when considering new employment (See Figure 3).



Source: Buffett Early Childhood Institute. (2025). <https://childcaregap.org/>

Figure 3. Child Care as an Important Factor When Considering New Employment for Potential Job Seekers



Source: Nebraska Department of Labor, Labor Availability Study, requested data received September 4, 2025.

Businesses need parents of young children to meet their workforce needs. Yet, in Nebraska overall, 17.6% of employers reported difficulty hiring workers because of applicants’ lack of child care according to the Nebraska Department of Labor’s Labor Availability study (see [Appendix C](#)). However, some industries were more impacted than others (see Figure 4).

Figure 4. Difficulty Hiring Workers Due to Lack of Child Care by Industry



Source: Nebraska Department of Labor, Labor Availability Study, requested data received September 4, 2025.

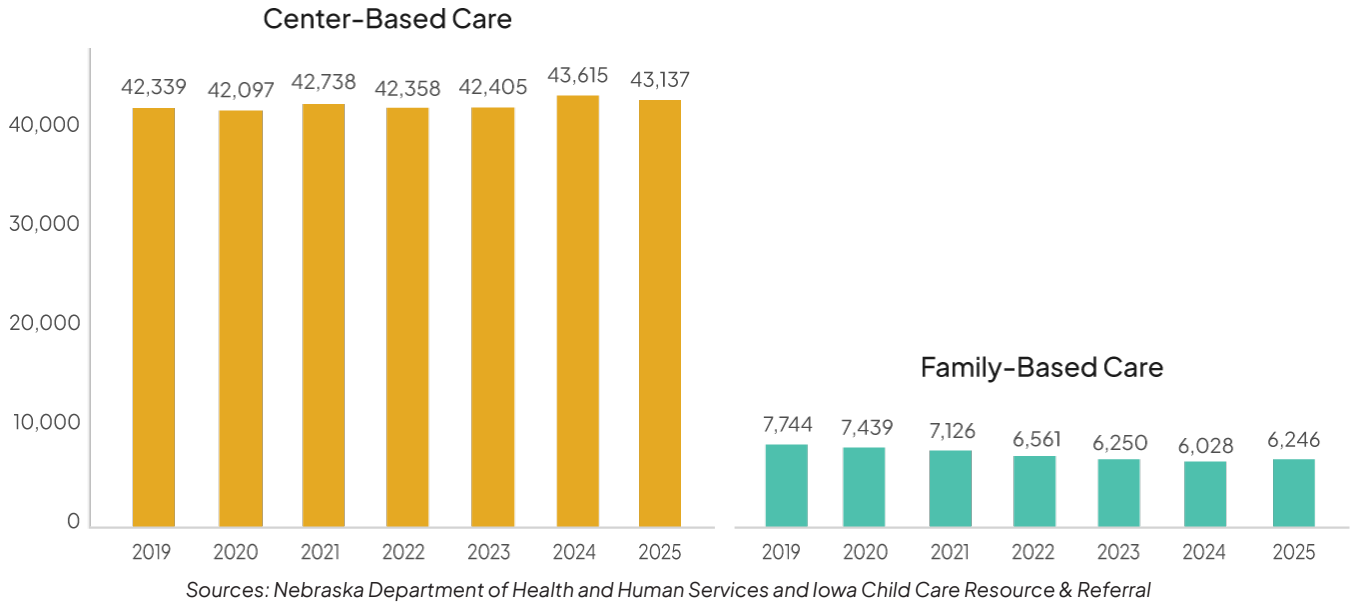
Employers’ experience hiring is reflected in Kidsights Data (See [Appendix D](#)) findings for parents. In the Omaha metro area, 23% of parents reported that finding child care was either somewhat or very difficult in the past year, and for those experiencing trouble finding child care, the main reasons were cost (50%), followed by lack of openings (13%). In fact, 20% of parents reported they had to quit or change employment due to problems with child care. (More information on the demand for child care and parent experiences in the section [Understanding the demand for child care: The role of parent choice, income and cost.](#))

In sum, the findings from Kidsights Data parent surveys and the Nebraska Department of Labor’s analysis show that parents and employers alike are experiencing the ramifications of this gap in access. The gap calculation is a sophisticated methodology that overlays where young children of working parents live, where child care programs are located and how many children those programs can serve based on their maximum licensed capacity (See [Appendix B](#)). The data show there are simply not enough licensed child care slots for the total number of children who will potentially need care. This report will examine the trends in programs, and therefore capacity and access, in the Greater Omaha area over time.

Understanding the supply of child care: Trends in programs and capacity over time

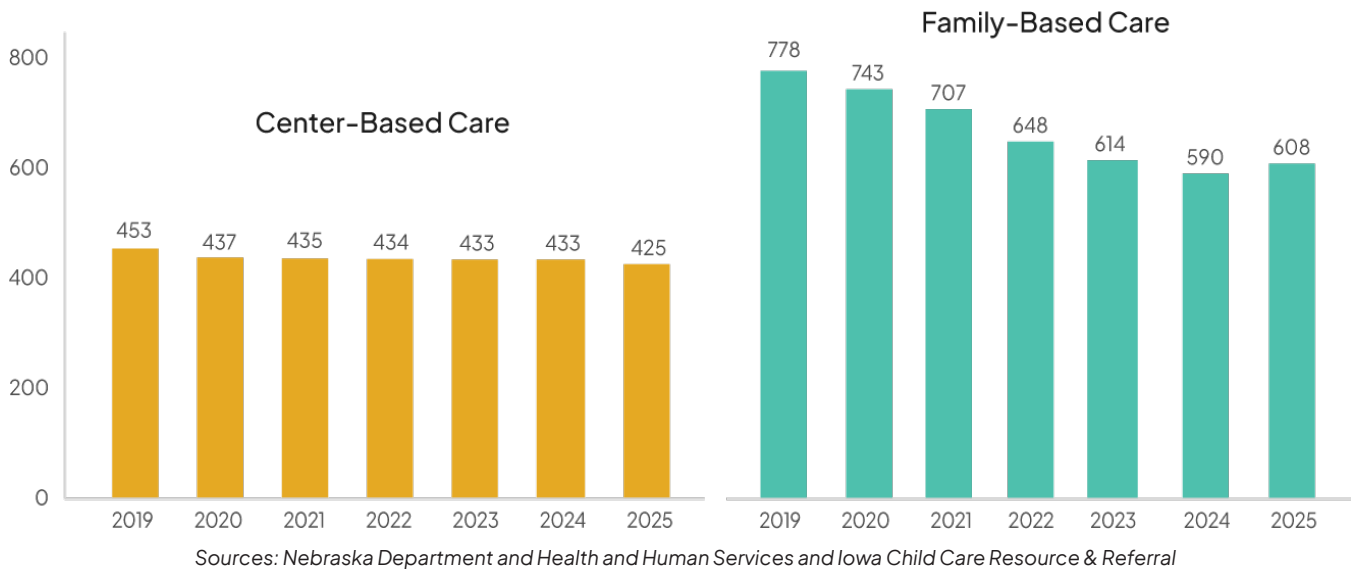
The Greater Omaha area includes counties in Nebraska and Iowa and the two states have similar, yet distinct, definitions for licensed and regulated child care.²⁰ Broadly, licensed child care programs serving young children in the two states can be categorized as center-based or family-based. Center-based programs have multiple staff members with an average licensed capacity of 100 children, while family-based programs are smaller programs, often operated out of the providers’ home. Figure 5 shows the capacity of the center- and family-based providers in the region over time.

Figure 5. Capacity of Child Care Programs in the Eight Counties of Greater Omaha Area



In 2019, the total child care capacity for the region was 50,083, similar to the capacity in 2025 of 49,383, just 1.4% fewer licensed spots after recovery from the tumultuous time period for the child care industry between 2020 and 2023. This is because the Greater Omaha area, like much of the country as a whole, has seen an increase in center-based capacity (1.9%) with a concurrent decrease in the capacity for family-based care (-19.3%) (See Table 6). Figure 6 looks at the number of licensed and regulated programs in the Greater Omaha area for the same time period. While there is a greater overall capacity, there are fewer licensed and regulated programs for parents to choose from. The overall number of center-based programs has decreased by 6.2%, though the programs have a higher licensed capacity overall. Family-based programs, however, decreased by 21.9% from 2019 to 2025, with recent increases in the past year after five years of steady decline.

Figure 6. Child Care Programs in the Eight Counties of Greater Omaha Area



It is important to look at both the number of programs and licensed capacity together, as shown in Table 6. While capacity has increased, there are fewer programs for parents to choose from. The largest losses are in family-based care, which are typically more affordable for families. In urban areas in Nebraska, the median price of infant care is 35% less expensive for family-based programs compared to center-based programs.²¹

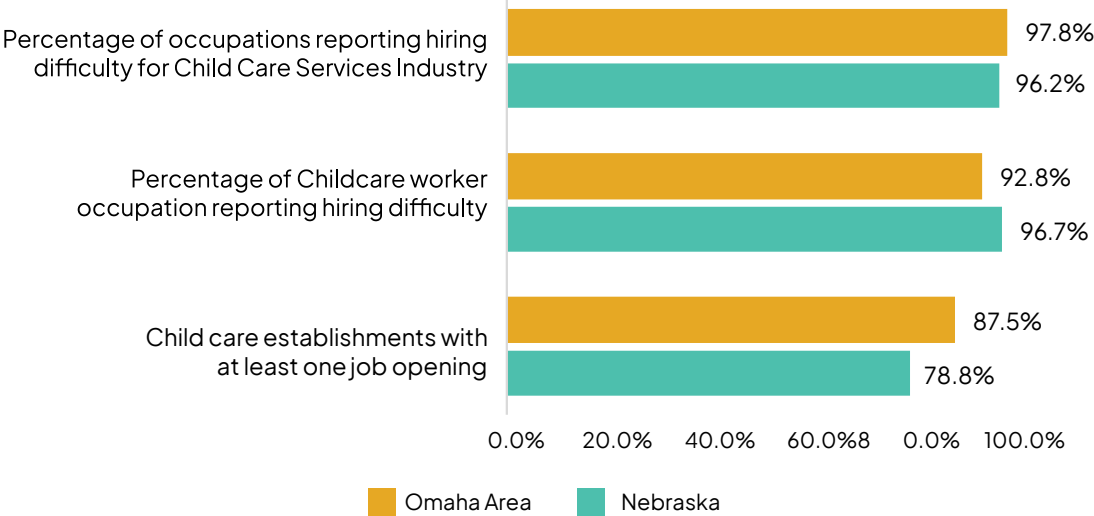
Table 6. Percent Change in Programs and Capacity, 2019–2025

Change since 2019	Center-based Care	Family-based Care	Total Licensed and Regulated Care
% Change in programs	-6.2%	-21.9%	-16.1%
% Change in Capacity	1.9%	-19.3%	-1.4%

Sources: Nebraska Department and Health and Human Services and Iowa Child Care Resource & Referral

Another important consideration is that licensed capacity for center-based care represents the maximum number of children a program can serve. However, to serve the maximum number of children, a child care program must be fully staffed. The Labor Availability Study, gathered between 2021 and 2023 in Nebraska, gives insight into the likelihood that child care centers are operating below their licensed capacity. In the Omaha metro area, 87.5% of centers report having at least one job opening, 97.8% of the industry reporting difficulty in hiring across all occupations, and 92.8% reporting difficulty hiring for the child care worker role specifically. While there are indications of hiring improvements (See Figure 10), it is unlikely that centers are able to meet their maximum licensed capacity.

Figure 7. Child Care Hiring



Source: Nebraska Department of Labor, Labor Availability Study, requested data received September 4, 2025.

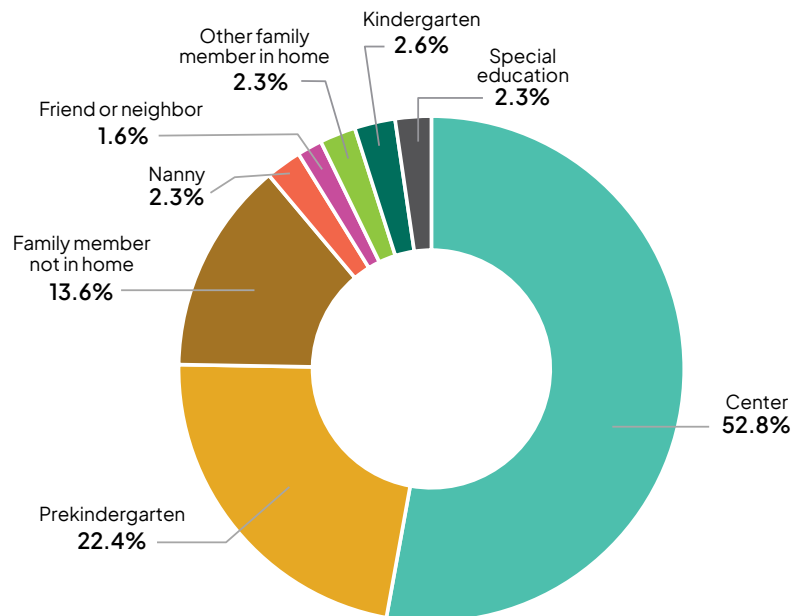
The supply of child care is complex and must include an understanding of the licensed capacity, the workforce to meet that capacity and the type of care available to both meet parents’ preference and needs, along with their ability to afford that care. The next section will examine how parents are or are not utilizing the child care market, the relationship to child care costs and parent income and how those factors may influence the likelihood of child care challenges interrupting labor force participation.

Understanding the demand for child care: The role of parent choice, income and cost

Families have different needs and preferences for non-parental care for their young children. In the Greater Omaha area, nearly 60% of children attend child care for more than 10 hours a week, with children under 6 spending an average of 34 hours a week in care (Kidsights Data, See [Appendix D](#)). Most of these children receive child care in centers (52.8%) or preschools (22.4%), followed by family members outside the home (13.6%). Regardless of setting, the majority of families in the Omaha area are either very satisfied (52.6%) or satisfied (40%) with their current child care arrangement. About 12% of families report the need for non-traditional hours of care for their children, including overnight, evening and weekend care.

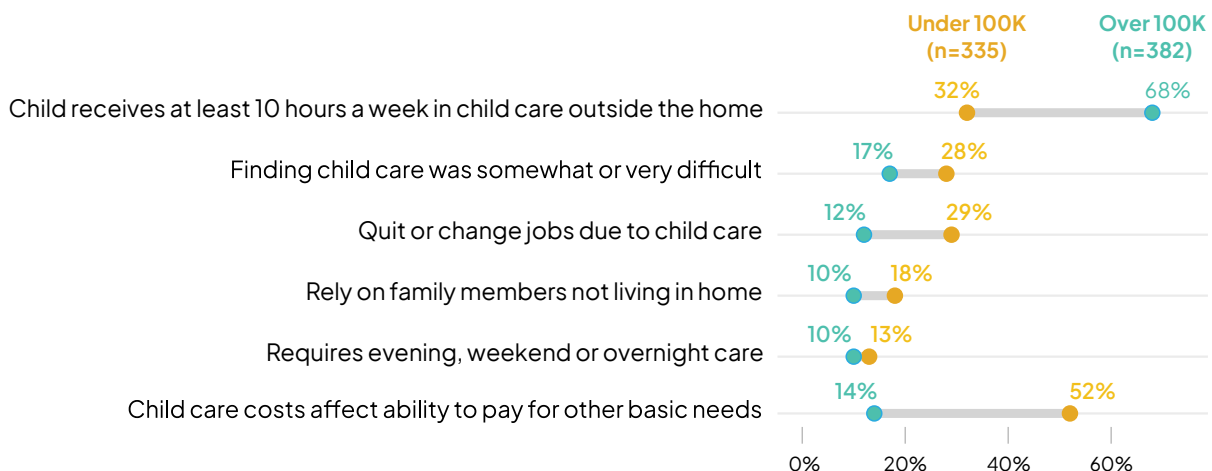
The ways in which families experience child care and how it impacts their economic stability vary significantly based on income. Families who earn less than \$100,000 per year are less likely to utilize child care outside the home compared to families who earn more than \$100,000 (32% and 68%, respectively) but are significantly more likely to quit or change a job due to trouble accessing child care (29% and 12%, respectively.) This indicates that access alone is not sufficient to prevent labor market disruptions, and that affordability plays an integral role as well.

Figure 8. Greater Omaha Area Child Care Setting



Source: Kidsights Data, University of Nebraska Medical Center College of Public Health, requested data received November 7, 2025.

Figure 9. Child Care Experiences by Income of Families in Omaha Area



Source: Kidsights Data, University of Nebraska Medical Center College of Public Health, requested data received November 7, 2025.

Kidsights Data found that in the Greater Omaha area, parents with one child pay an average of \$250 per week, or \$13,000 per year, for child care. For parents with more than one child, the average child care payment is \$450 per week, or \$23,400 per year. The cost of child care can cause a significant strain for families, with 52% of families earning less than \$100,000 per year noting that child care costs affect their ability to pay for other basic needs.

“We are very bare minimum, bare basics... We don’t take vacations. We don’t take time off work that doesn’t involve a kid being sick or having a doctor’s appointment. We budget groceries. We don’t have fancy cars, phones, gaming systems. Money’s just not there.”

— Mom, Pharmacy Tech from the Greater Omaha area (Kidsights Data)

“[Child care] is a burden for families because it is so expensive. It’s not available, there’s limited spots... It’s making the next generation make different choices based on availability and affordability.”

— Mom, Program Manager from the Greater Omaha area (Kidsights Data)

Parent-reported child care costs are in line with findings from the 2025 Market Rate Survey, conducted by the Buffett Early Childhood Institute.²² According to BECI, providers located in urban Nebraska counties (Douglas, Lancaster, Sarpy and Dakota) reported median infant rates of \$290 per week for center-based care and \$187.50 per week for family child care homes. For a family with one infant and a 4-year old in full-time care, providers in urban counties reported median rates of \$530 per week (\$27,560 per year) for center-based care or \$362.50 per week (\$18,850 per year) for family child care homes.

The child care workforce’s impact on supply and demand

The child care workforce impacts both the supply of and the demand for child care. As mentioned previously, supply measures of licensed capacity represent the maximum number of children a program can potentially serve. When programs are understaffed or experience a high rate of turnover, the supply of child care will decrease.

Similarly, parent demand for child care is also tied to the workforce. When choosing child care, parents cite characteristics of the provider or staff, including warmth, shared values, trust and provider credentials, as important.²³ In two recent studies, Nebraska parents recounting positive experiences with child care do so by describing positive interactions with staff, including developmental gains made by their children because of child care professionals with expertise in early childhood development.^{24,25} Inversely, both studies found that parent descriptions of negative child care experiences point to high turnover rates and a lack of expertise by staff as impacting their child care decision making. Given the integral role of the child care workforce in both the supply and demand for child care in the Greater Omaha area, it is

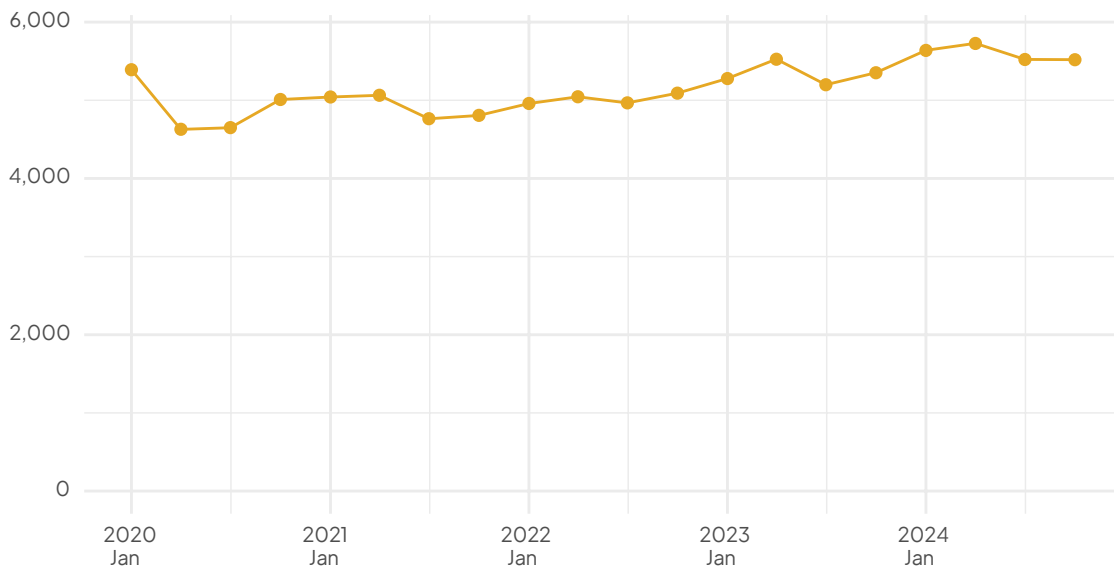
Table 7. Child Care Turnover Rate in Nebraska and Greater Omaha Area (Excluding Iowa Counties)

Year	NE	GOC
20–21	21.4%	20.9%
21–22	23.5%	23.2%
22–23	29.9%	21.9%
23–24	21.0%	19.6%
24–25	20.4%	19.0%

Source: Nebraska Department of Labor, requested data received September 4, 2025

critical to look at who makes up this workforce and the trends for employment. The child care workforce is made up primarily of women (91.6%) and the largest demographic group overall is women between the ages of 20–29 (35.9%; see [Appendix C](#)). Overall, the child care industry has had significant turnover, but the Greater Omaha area has a lower turnover rate compared to the state of Nebraska overall (See Table 7).

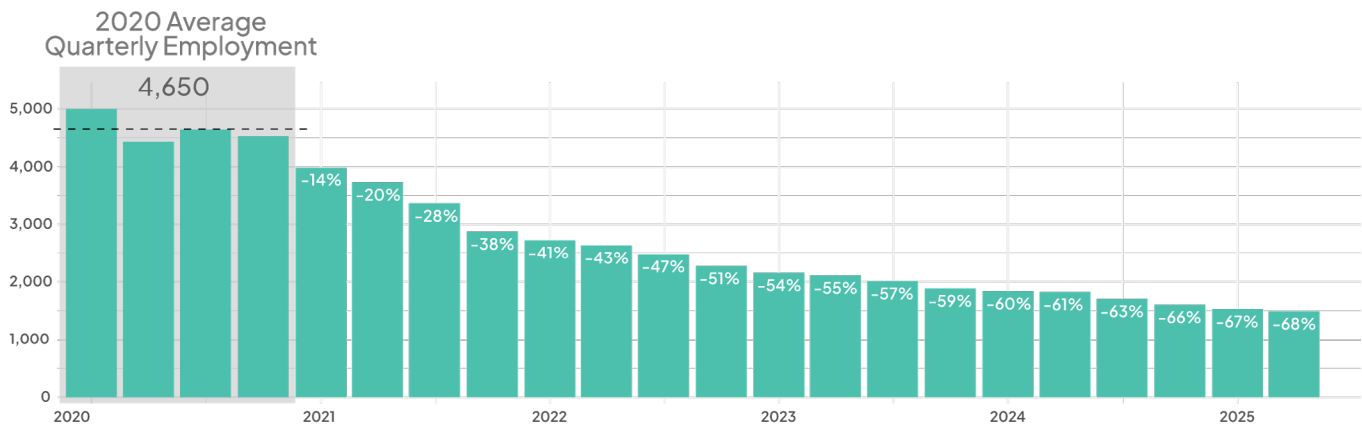
Figure 10. Number of Child Care Workers in the Greater Omaha Area²⁶



Source: Nebraska Department of Labor, requested data received September 9, 2025.

After significant disruptions in 2020 that continued through the beginning of 2023, child care employment has increased, indicating that capacity concerns from 2020–2022 have begun to alleviate. That being said, while the number of workers has rebounded, these are largely new workers to the field. Just 32% of the child care workforce in the Greater Omaha area have remained in the field since 2020 (See Figure 11).

**Figure 11. Retention of Workers Since 2020 in Greater Omaha Area²⁷
(Excluding Iowa Counties)**

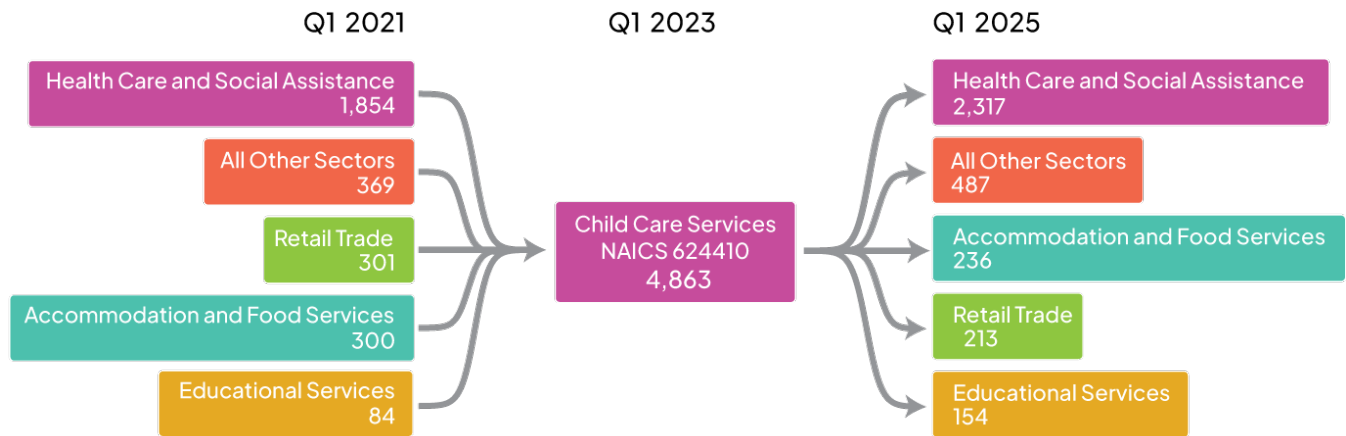


Source: Nebraska Department of Labor, requested data received September 4, 2025.

Figure 12 shows the industries of employment of the Nebraska Greater Omaha area child care workforce before and after employment in child care services. Of the 4,863 individuals working in child care services in Q1 2023, 60% were employed in Nebraska in Q1 2021. The 40% who do not have employment records in Q1 2021 may have

been employed outside of Nebraska or were not employed in the quarter, which is also likely given that more than a third of child care employees are in their twenties. For those with employment records in 2021, most were employed in Health Care and Social Assistance, which is the broader sector that includes the child care services industry NAICS code and other Health Care and Social Assistance industries, such as nursing and residential care, hospitals and industries that provide social services. The most common sector out of the child care industry is the Health Care and Social Assistance sector, followed by Retail Trade, Accommodation and Food Services, and Educational Services.

Figure 12. Industries of Employment Over Time for Q1 2023 Child Care Services Employees in Greater Omaha Area²⁸
(Excluding Iowa Counties)



Source: Nebraska Department of Labor, requested data received September 4, 2025.

Determining pay of child care workforce is difficult because of the way in which wages are reported to Department of Labor (quarterly) and the amount of both part time work in the field and the high turnover and low retention rates. For child care workers who worked at least six consecutive quarters, the average annual wage of child care workers in the GOC area rose 24.8% from 2020 (\$22,146) to 2024 (\$27,464). The GOC area annual wage is somewhat lower than the statewide average, which increased at a similar rate of 24.4% from 2020 (\$23,361) to 2024 (\$29,066). However, it is important to note that multi-location employers, which tend to pay higher wages on average (\$35,833 in 2024), cannot be mapped to a specific region of the state.²⁹ Multi-location employers likely include franchise child care centers, which are more likely to be present in urban areas like the Greater Omaha area. The low pay for the field will make the challenge of attracting and retaining a strong workforce.

Conclusions

There are direct economic impacts to business output, value added and parent labor income from the lack of adequate access to child care in the Greater Omaha area. These direct impacts create a multiplier impact – a ripple effect throughout the economy caused by the loss of economic activity related to the direct impacts. For the Greater Omaha area, combined direct and multiplier impacts of inadequate child care lead to a loss of \$919.2 million in labor income, \$1.02 billion in business output and \$738.3 million in value added. This leads to 3,909 fewer jobs in the Greater Omaha area and \$36.53 million in lost state income tax revenue in Nebraska and Iowa.

The economic estimates are based on parent self-report surveys of child care concerns causing some parents to reduce or interrupt their participation in the labor market. To better understand how child care concerns could lead to labor force interruptions, the report outlines the supply and demand for child care in the Greater Omaha area.

Access. Analysis from the Buffett Early Childhood Institute clearly demonstrates that there is a greater potential need for child care than there are available licensed child care slots in the Greater Omaha area. While the gap between the number of accessible child care slots and children who potentially need care is highest in Dodge (NE) and Mills (IA) counties and lowest in Washington (NE) and Douglas (NE) counties, every county in the Greater Omaha area has a higher potential need for child care than supply of licensed child care slots. And because businesses in the Greater Omaha area rely on parents of young children to meet their workforce needs, they experience hiring difficulties due to the lack of child care for their employees.

In the past five years, the supply of child care in the Greater Omaha area has changed. The number of center-based child care programs has decreased by 6.2% since 2019, but the capacity of those centers has grown slightly (1.9%). Family-based child care programs, however, have decreased by 21.9% in the same time frame, with a corresponding 19.3% reduction in family-based capacity. On average, center-based programs in the Omaha area have a licensed capacity of about 100 children, while family-based child care programs average a licensed capacity of 10, so the impacts to overall capacity are less when family-based programs close. However, family-based programs are typically more affordable options, with median costs for infant care around 35% less compared to center-based programs.

Affordability. The changes in the child care supply in the Greater Omaha area lead to more center-based slots and fewer family-based slots. Given that the median price for family-based care is significantly lower than that of center-based care, it is important to look at the role of affordability on the child care market. Families experience the child care system differently based on their income. Kidsights Data surveys of parents find that parents making more than \$100,000 per year are more likely to utilize licensed centers or preschools compared to parents who earn less than \$100,000, however the parents who earn less are significantly more likely to quit or change a job due to trouble accessing child care. More than half of the parents who earn less than \$100,000 per year say that the cost of child care affects their ability to pay for other basic needs.

Quality. Impacting both parents' demand for child care and the supply of child care is the early care and education workforce. Most parents in the Omaha area are either very satisfied (52.6%) or satisfied (40%) with their current child care arrangement, highlighting the strengths of the workforce. Annual child care industry turnover is lower in the Omaha area compared to the state of Nebraska overall, but still remains at 19%. Caregiver stability is important for parents and children,³⁰ however, just 32% of the child care workforce in the Greater Omaha area have remained in the industry for 5 years. Low wages make it difficult to recruit and retain the workforce, yet raising wages will impact the affordability of care for parents.

Child care solutions in the Greater Omaha area should consider the interconnected nature of access, affordability and quality. Solutions that address only one of the components of an adequate child care system will likely have consequences on the other components. Critically, supply of and demand for child care are both impacted by the workforce available. Solutions need to be as robust as the problem.

Recommendations

The Greater Omaha Chamber has an important role to play in child care solutions as an expert in economic development and a voice, convener and resource for the Omaha area business community. Recommendations include:

Participate in coalitions to advocate for Nebraska's and Iowa's child care assistance program, which allows low-income families to participate in the labor market by providing financial support to cover some or all child care expenses while working or while in school. Child care assistance is funded through federal and state dollars, and

states have discretion in how to administer the program. Ensuring that families who are unable to afford child care can access care that meets their needs should be a central focus of advocacy.

Identify and address barriers for child care business owners to become Chamber members. The Greater Omaha area has more than 1,000 licensed and regulated child care businesses, however, only a fraction (10) are GOC members. These small business owners are critical to designing solutions for child care and larger workforce concerns in the region.

Develop a library of resources to assist Greater Omaha area employers to offer child care as an employee benefit. The resources should include:

- Model options for employers, included but not limited to,
 - » On-site child care
 - » Contracts with near-site child care businesses
 - » Employee child care tuition assistance
 - » Child care finders and marketplace technologies
- Employer resources and incentive programs, included but not limited to,
 - » The federal Employer-Provided Child Care Credit (also known as 45F)³¹
 - » Dependent care FSAs³²
 - » The Nebraska Child Care Tax Credit for contributors³³
 - » The Iowa Child Care Solutions Fund³⁴

Consider partnering with Executives Partnering to Invest in Children (EPIC) and the U.S. Chamber of Commerce Foundation to promote the use of their existing materials, like the Employer Child Care Navigator,³⁵ while tailoring some material to highlight Nebraska and Iowa specific resources.

Evaluate and consider replicating successful solutions from other communities. The Greater Omaha Chamber could serve as a funding vehicle, intermediary or community partner. Some examples include:

- Early childhood grant or scholarship opportunities for low- to middle-income families who do not qualify for child care assistance. In 2026, a family of 4 qualifies for child care assistance if they earn less than \$59,500 per year (Nebraska), however data from the Omaha area shows that families earning less than \$100,000 per year are more likely to quit or change jobs due to trouble accessing child care. Local solutions can target families whose incomes exceed the eligibility requirements for child care assistance but are unlikely to be able to afford licensed child care without additional financial support. Lincoln Littles' tuition assistance program is a regional example.³⁶
- Childcare Access Real Estate (CARE) Investment Trust, a Real Estate Investment Trust (REIT) from Mission Driven Finance that supports family child care home providers through identification and creation of child care optimized affordable housing, helping them build wealth through property ownership.³⁷
- Mentorship programs designed to create more family-based child care to ensure that supply building includes options that can meet parent preferences, price points and scheduling needs. The Central Region of 6 Regions, One Nebraska has a program that may serve as a model.³⁸

Incorporate child care into the already existing programs and resources of the Greater Omaha Chamber.

Examples include:

- Ensuring that child care is part of the Nebraska Resource Center partnership between the Greater Omaha Chamber and the Nebraska Department of Veterans' Affairs. This could include child care referral services or partnering to build child care capacity near Offutt Airforce Base where community gaps are highest
- Add an Education Council to the Greater Omaha Area Chamber Councils and ensure inclusion of early childhood education.

Appendix A: Bureau of Business Research

The University of Nebraska–Lincoln Bureau of Business Research conducts economic research on Nebraska, as well as its communities. Faculty and staff at the Bureau have conducted analyses on (1) economic and fiscal impacts, (2) comparative economic models, (3) economic, fiscal and demographic outlooks and (4) how economic policy affects industry, labor markets, infrastructure and standard of living. The Bureau has been awarded funding from both federal government agencies and private foundations in service to the academic mission of the University of Nebraska.

Dr. Eric Thompson (Director of the Bureau of Business Research and Associate Professor of Economics) and Dr. Mitchel Herian (Project Director of the Bureau of Business Research) co-authored a separate report detailing their methodology used in this document: https://firstfivebraska.org/bbr_goa/.

Appendix B: Buffett Early Childhood Institute

The Buffett Early Childhood Institute is an interdisciplinary organization that includes faculty and staff from across the University of Nebraska's four campuses. Faculty, staff, and graduate scholars represent a variety of expertise in early childhood development, care and education. The Institute's two main priorities in Nebraska and across the nation include closing the opportunity gaps among young children birth through age 8 and elevating the early childhood workforce.

In 2025, the Institute released an interactive map in partnership with Child Care Aware of America and the Bipartisan Policy Center: <https://childcaregap.org>. This map examines the gap between the potential need for child care and the capacity of legally operating child care providers. Potential need for care refers to the number of children under 6 with all available parents in the labor force. Program capacity is defined as licensed capacity, which is related to a provider's building square footage or room size and not actual enrollment. For the analysis used in this report, researchers at the Institute isolated the eight counties in the Greater Omaha area and calculated gaps in child care within this geographic boundary using the methodology outlined in <https://childcaregap.org/MappingMethod.pdf>. The Child Care Gap assessment also includes calculations of the economic impact that is directly caused by the gap between potential need and licensed slots, which is a distinct measure and available for state, congressional district, state senate district, county and metropolitan statistical areas across the country. For more information on the analysis, including challenges in child care data and gaps analysis, see <https://childcaregap.org/report>.

Appendix C: Nebraska Department of Labor

Child care employment data was collected by the Nebraska Department of Labor (NDOL) from quarterly wage reports submitted by all employers covered by unemployment insurance (i.e., liable employers). Liable employers exclude most self-employed and family-operated businesses, such as family child-care home providers. Employers are categorized an industry code according to the North American Industry Classification System (NAICS) based upon the business's primary activity. Organizations categorized in other industries that also offer child care services are not included in the data (e.g., schools, local government, community advocacy or religious organizations).

Based upon these criteria, NDOL identified 657 employers in Nebraska that were assigned the child care NAICS code (624410) in Quarter 1 2025. Employers that have multiple locations in Nebraska are included only in statewide data and not identified by county. Employee-level data includes all employees working for employers in NAICS 624410 (Child Care Services) in Nebraska. Employee demographic data was cross-referenced with Department of Motor Vehicle records.

Total employment and wage data for Iowa (Pottawattamie and Mills counties) come from the Quarterly Census of Employment and Wages (QCEW) program that NDOL administers in partnership with the Bureau of Labor Statistics. Counties that did not meet the Bureau of Labor Statistics disclosure standards and were suppressed from the data.

Labor Availability Survey data was collected by NDOL (see <https://dol.nebraska.gov/las>). Between May 2021 and October 2023, NDOL sent surveys to businesses and establishments with at least three employees and households located across 86 counties. The Greater Omaha questionnaires were collected between 2021 and 2022.

Appendix D: Kidsights Data

Kidsights Data is an initiative of the University of Nebraska Medical Center to generate population-level data on early childhood development. After being tested and validated as a new measure for the World Health Organization's Global Scales for Early Development, the Kidsights Measurement Tool uses online, parent-reported data to measure collective health and development trends of infants and children ages birth to 5 in a defined population and geographic area. For more information on Kidsights Data, see <https://www.unmc.edu/publichealth/research/multidisciplinary-programs/kidsights/index.html>.

In 2025, researchers on Kidsights Data Team collected data on the costs and availability of child care for families with children aged birth to six years across the state of Nebraska, with a total of more than 2,700 responses. Families were recruited from a birth cohort list of all registered births in Nebraska from 2019 to 2025 and through programs serving children and families.

Data reported in this report are based on responses from 753 parents of children birth to age six living in the Omaha metro area, including Douglas, Sarpy, Pottawattamie, Washington, Dodge, Cass and Otoe counties. To supplement the statewide data for this report, families through Pottawattamie County were recruited through area Head Start/Early Head Starts and local school districts. Interviews with parents on childcare took place after surveys were completed. Of respondents, 76% identified as white, 20% as Hispanic, the average age was 33 years, and 64% had a college degree or higher. About 75% worked outside the home with a median annual household income of \$105,000. Eighty-three percent reported that the child had another parent/caregiver living at home. Children were three years old on average, ranging from birth to 5 years and 11 months. Thirty-one percent of children were a race other than White, and 21% were Hispanic.

This analysis focused on survey items that address families' reported child care experiences. Survey questions were designed to address the following areas:

1. What are the main features of childcare types and cost in the Omaha Metro area?
2. How much of a problem is childcare for Omaha Metro families?
3. What do parents say about childcare in the Omaha metro area?

Endnotes

- ¹ The Greater Omaha Chamber region includes Cass, Dodge, Douglas, Otoe, Sarpy and Washington counties in Nebraska and Mills and Pottawattamie counties in Iowa. This region is distinct from the Omaha–Council Bluffs Metropolitan Statistical Area (MSA), frequently referred to as the Greater Omaha MSA, which includes Cass, Douglas, Sarpy, Saunders and Washington counties in Nebraska and Harrison, Mills and Pottawattamie counties in Iowa. Any reference to “Greater Omaha area” or “Greater Omaha region” in this report is in reference to the eight counties in the Greater Omaha Chamber region.
- ² Blumenberg, E. Wander M., & Yao, Z. (2024). Decisions & Distance: The Relationship between Child Care Access and Child Care Travel. *Journal of Transport Geography*, 114. <https://www.sciencedirect.com/science/article/pii/S0966692323002284?via%3Dihub>
- ³ Kim, J. & Fram, M.S.. (2009). Profiles of Choice: Parents’ Patterns of Priority in Child Care Decision-Making. *Early Childhood Research Quarterly*, 24(1):77–91.
- ⁴ Economics & Child Care: Where Are We Now and Where Do We Go?. (2025). Child Care Aware of America and the Buffett Early Childhood Institute. <https://www.childcareaware.org/economics-and-child-care/>
- ⁵ Davis, E.E. & Sojourner, A. (2021). Increasing Federal Investment in Children’s Early care and Education to Raise Quality, Access, and Affordability. The Hamilton Project. https://www.hamiltonproject.org/wp-content/uploads/2023/01/Child_Care_PP_final.pdf
- ⁶ Transforming the Financing of Early Care and Education (2018). *The National Academies of Sciences, Engineering and Medicine*.
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- ⁸ Davis, B., Bustamante, A., Bronfn, M., & Rahim, M. C. (2017). Losing Ground: How Child Care Impacts Louisiana’s Workforce Productivity and the State Economy. Louisiana Policy Institute for Children. http://www.brylskicompany.com/uploads/1/7/4/0/17400267/losing_ground-1.pdf
- ⁹ Montes, G., & Halterman, J. S. (2011). The impact of child care problems on employment: Findings from a national survey of U.S. parents. *Academic Pediatrics*, 11(1): 80–87. <https://doi.org/10.1016/j.acap.2010.11.005>
- ¹⁰ Talbert, E. M., Bustamante, A., Thompson, L. J., & Williams, M. E. (2018). Counting our Losses: The Hidden Cost to Marylanders of an Inadequate Child Care System. Maryland Family Network. <https://www.marylandfamilynetwork.org/early-years-matter/counting-our-losses>
- ¹¹ Bishop, S. (2023). \$122 Billion: The Growing, Annual Cost of the Infant–Toddler Child Care Crisis. ReadyNation Council for a Strong America. <https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis>
- ¹² Goldberg, H., & Parrish, J. (2025). For Lack of Care: The Economic Impact of Child Care Challenges. Georgia Early Education Alliance for Ready Students. <https://geears.org/wp-content/uploads/Opps-Lost-3.0.pdf>
- ¹³ The pre- and post-pandemic studies are averaged to most accurately estimate current disruptions related to child care, as national research has found that child care disruptions peaked in 2021, and while they have since decreased, are still occurring at higher rates than pre-2020. See [Unlocking Nebraska’s Potential: Child Care as a Key to Nebraska’s Economic Future](#) for further detail.
- ¹⁴ IMPLAN Group, LLC (2025). IMPLAN [Application]. Huntersville, NC. <https://implan.com/>
- ¹⁵ Thompson, E., Herian, M., Goettemoeller Wendl, J., Fischer, T., Bass, K., & Brady, S.E. (2025, October). Unlocking Nebraska’s Potential: Child Care as a Key to Nebraska’s Economic Future. *Nebraska Chamber Foundation*. https://www.nechamber.com/uploads/1/3/1/6/131641147/2025_childcare_study.pdf
- ¹⁶ Understanding Value Added. (2019). IMPLAN. <https://support.implan.com/hc/en-us/articles/360017144753-Understanding-Value-Added-VA>
- ¹⁷ U.S. Census Bureau. 2023 ACS 5-year estimates. BBR Calculations based on Table 23008.
- ¹⁸ U.S. Census Bureau. 2023 ACS 5-year estimates. Table 23008. All available parents in the labor force measures the rate of two-parent households with both parents in the labor force and households with a single parent who is in the labor force.
- ¹⁹ Bagley, A. and Smith L. (2025). The Child Care Gap. Greater Omaha area analysis requested by First Five Nebraska.
- ²⁰ Nebraska licenses child care centers, preschools, family child care home I and II. Iowa licenses child care centers and child care development homes A, B, C and C1. Iowa also regulates, but does not license, child care homes.
- ²¹ Daro, A. (2025). 2025 Nebraska Child Care Market Rate Survey Report. University of Nebraska: Buffett Early Childhood Institute. https://buffettinstitute.nebraska.edu/-/media/projects/buffett-nucleus/resources/reports/market-rate-survey_report_2025.pdf.

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²⁵Bass, K. & Brady, S. (2025). Impact of On-Site Early Education and Child Care: Primrose School at Hudl. *First Five Nebraska*. https://firstfive-nebraska.org/wp-content/uploads/2025/11/Primrose-School-at-Hudl_FINAL_2025-09-29.pdf

²⁶Data is aggregated from county level quarterly data of third month employment records. In instances with 5 or fewer records, data is suppressed. Douglas, Sarpy, Cass, Dodge and Pottawattamie counties are included in all quarters. In eight out of 20 quarters, Washington county is included. In 3 quarters, Otoe county is included. Mills county is excluded.

²⁷Data includes Douglas, Sarpy, Cass, Otoe, Washington and Dodge counties in Nebraska.

²⁸Nebraska counties only. Q1 2023 employment is specific to GOC counties in Nebraska, however in and outflows may represent movement across the state.

²⁹Hunzeker, S., personal communication, October 16, 2025.

³⁰Pilarz, A.R. & Hill, H.D. (2014). Unstable and multiple child care arrangements and young children's behavior. *Early Childhood Research Quarterly*, 29(4), 471–483. <https://pmc.ncbi.nlm.nih.gov/articles/PMC4307839/pdf/nihms651667.pdf>

³¹McDermott, B. (2025). The 45F Tax Credit for Employer-Provided Child Care. Congressional Research Service. IF12379, Version 3. <https://www.congress.gov/crs-product/IF12379>

³²FSAFEDS. Dependent Care FSA. <https://www.fsafeds.gov/explore/dcfesa>

³³Nebraska Department of Revenue. (2026). Child Care Nonrefundable Tax Credit. <https://revenue.nebraska.gov/tax-credits/child-care-tax-credit-act/child-care-nonrefundable-tax-credit>

³⁴Iowa Health and Human Services. (2026). Statewide Child Care Solutions Fund. <https://hhs.iowa.gov/programs/programs-and-services/child-care/child-care-funding-opportunities/statewide-child-care-solutions-fund>

³⁵Executives Partnering to Invest in Children and U.S. Chamber of Commerce Foundation (2026). Employer Child Care Navigator. <https://employerchildcarenavigator.org/>

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