NH CHILD CARE
ADVISORY COUNCIL

INTERIM REPORT 2025-2026

25
26

TABLE OF CONTENTS

01
Introduction

02
Council Activities & Progress

03
System Conditions & Emerging Challenges

04
State & Federal Funding

05
Priority Focus

06
Conclusion

INTRODUCTION

The New Hampshire Child Care Advisory Council (NHCCAC) respectfully submits this interim report to the Department of Health and Human Services Oversight Committee pursuant to RSA 126-A:17. This report provides an update on Council activities, emerging system trends, and priority issues impacting the child care sector across New Hampshire.

The Council continues to serve as a forum for providers, families, businesses, and state partners to identify challenges, elevate data-informed insights, and advise state leadership on policies and investments necessary to stabilize and strengthen the child care system.

COUNCIL ACTIVITIES & PROGRESS

During the reporting period, NHCCAC has focused on strengthening its operational capacity, stakeholder engagement, and policy advisory role. Notable progress includes:

- Continued implementation of the Council's multi-year strategic priorities, aligned with workforce stability, affordability for families, and access to quality child care across geographic regions.
- Enhanced coordination with the Department of Health and Human Services, the Department of Safety, the Department of Economic Stability, and other partner agencies to review federal and state child care plans, proposed rulemaking, and legislative initiatives.
- Expansion of provider, consumer, and business engagement to ensure diverse perspectives inform Council recommendations.
- Continued monitoring of the Child Care Scholarship program usage, availability, identifying barriers to enrollment for both child care providers and families.
- Partnered with the Department of Health and Human Services to create a workgroup to review and revise the Child Care Scholarship audit process.
- Collaboration with the Child Care Licensing Unit and statewide child care providers to design an independent informal dispute resolution process.

For the first time in its history, the Council is operating with dedicated funding to support its work. This investment has significantly improved the Council's ability to meet statutory obligations, respond to emerging issues in real time, and provide consistent, informed guidance to policymakers.

SYSTEM CONDITIONS & EMERGING CHALLENGES

The Council continues to hear consistent and urgent concerns from child care providers, families, and employers across the state. These challenges are interconnected and require coordinated, system-level responses rather than isolated interventions.



Workforce shortages & compensation

These remain the most significant threat to program stability and capacity statewide.

Affordability challenges for families



Families across New Hampshire are facing significant affordability challenges, particularly those who earn just above the income threshold for child care scholarships yet still struggle to manage rising tuition costs. As operational expenses increase—driven by workforce compensation needs, inflation, and regulatory requirements—providers must raise tuition to remain sustainable, placing additional strain on working families. This growing gap leaves many middle-income families without support, forcing difficult decisions about employment, reduced work hours, or informal care arrangements.



Program closures & reduced capacity

Especially in rural and high-need communities, limiting access to care and constraining workforce participation.



Administrative & regulatory barriers

Systems can disproportionately impact small centers and family-based providers.

FEDERAL & STATE FUNDING

The New Hampshire Child Care Advisory Council (NHCCAC) continues to closely monitor the status of federal Child Care Development Fund (CCDF) resources, stabilization investments, and other grant-funded initiatives that directly impact New Hampshire's early childhood system. Recent national discussions regarding a potential federal pause or delay in states' CCDF funding have raised significant concern across the country.

New Hampshire relies heavily on CCDF funding to support child care scholarship programs for families, quality initiatives, and workforce investments. Any disruption in these federal funds would have immediate implications for providers, families, and the broader workforce. In the event of reduced or paused federal support, the State of New Hampshire would need to consider increased state-level investment to maintain access, affordability, and stability within the child care system.

As a legislatively enacted advisory body, NHCCAC remains committed to elevating the voices of providers and advising state leaders on the fiscal and policy decisions necessary to sustain a strong and accessible child care infrastructure in New Hampshire.

PRIORITY FOCUS

For the remainder of the reporting period the Council will prioritize the following initiatives:



Advising on strategies to stabilize and grow the child care workforce

This includes recommendations focused on improving compensation, expanding career pathways, increasing access to professional development, and reducing barriers to recruitment and retention. By elevating provider voices, NHCCAC works to ensure long-term workforce stability that supports families, businesses, and the state's economy.



Using data to drive smart child care policy

By using timely, accurate data to guide decisions around child care scholarship policies, provider reimbursement rates, and overall system performance. By analyzing enrollment trends, cost modeling, workforce data, and family access patterns, the Council advises on strategies that improve efficiency while ensuring programs remain financially sustainable. This data-driven approach helps New Hampshire make informed investments that strengthen access, affordability, and quality across the child care system.



Building a more connected early childhood system

Continue to help improve collaboration among state agencies, community partners, and early childhood programs to reduce duplication, streamline processes, and create a more cohesive system. By identifying gaps and aligning policies across departments, the Council helps ensure that families experience clearer pathways to services and providers receive consistent guidance and support. Stronger coordination leads to more efficient use of resources and better outcomes for New Hampshire's children and families.

CONCLUSION

The New Hampshire Child Care Advisory Council appreciates the Oversight Committee's continued attention to the child care system and its role in supporting families, employers, and the broader state economy.

The Council stands ready to provide additional information, data, or testimony as requested and looks forward to continued collaboration to advance sustainable, effective child care solutions for New Hampshire.

Respectfully submitted by
The New Hampshire Child Care Advisory Council
February 20, 2026

Executive Committee
Lynn Ouellettte, Interim Chair
Marianne Barter, Past Chair
Shannon Tremblay, Director