

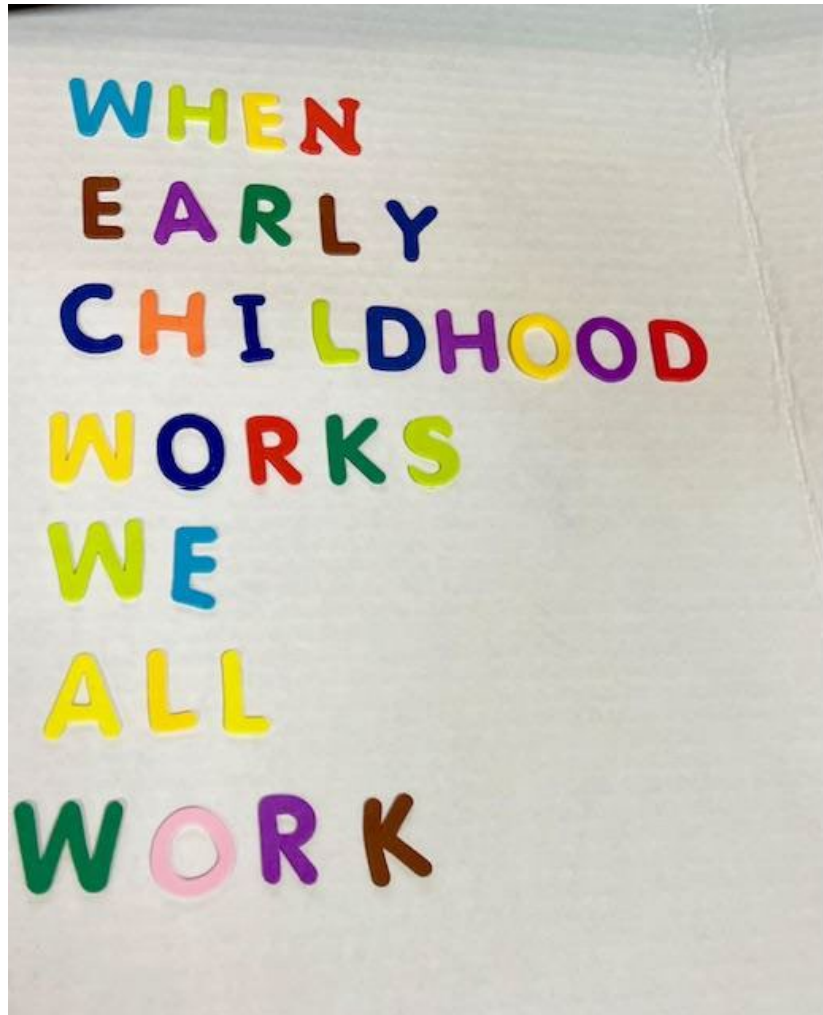


MILEAP

Michigan Department of Lifelong
Education, Advancement, and Potential

Growing Michigan's Future and the State of Child Care in MI

Child Care Keeps Michigan Working



- Insufficient child care availability is costing Michigan **\$2.88 billion in lost economic activity** each year
- Michigan loses **\$576 million in lost tax revenue** each year

We are working towards the same goal!

Growing Michigan's Future:

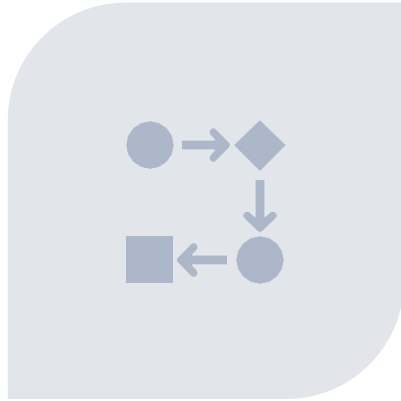
- expanding pre-K for three- to four-year-olds
- prioritizing middle- and low-income students, to ensure students are ready for kindergarten
- accounting for the impact this will have on child care availability overall and on parents' ability to secure high-quality, stable child care year round
- fully funds special education and English language learner programs
- guarantees that all students, including those in remote and high-poverty areas, have access to the full set of services

Child Care in Michigan

- **Accessibility**
- **Affordability**
- **Quality**



Agenda



WHAT HAVE WE DONE
ABOUT THIS PROBLEM?



WHY IS THERE STILL A
CHALLENGE?



WHAT'S NEXT?

Accessibility

What is it? Safe places for kids while their families work or go to school



Families use variety of terms to describe it:

Child care

PreK

After school

Summer
Camp

Grandma's
house

Options for Families

- 461,174 Michigan children **receive child care** each year
- Delivered through a range of **public and private** options

HOME-BASED CARE

CENTER-BASED CARE

NON-LICENSED

LICENSED

Relative
Parent, Grandparent

Non-Relative
Friend, Neighbor

Family Child Care Home

1 provider, up to 6 children
Expanded Capacity up to 7 children

Family Group Home

2 providers, up to 12 children
Expanded Capacity up to 14 children

Private Child Care: Single site, Franchise

School-Based: Public school, ISD, Private

Institution-Affiliated: IHE, Place of Worship

Out-of-School Time: Summer learning, B/A, Camps (*OST can be non-licensed as well)

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Great Start to Quality

Find free PreK for your 4-year-old! Use GSQ's search tool to find free GSRP and Head Start programs as part of MI's PreK for All.

[Find Free PreK](#)



Supporting Excellence in Early Education

[What is GSQ?](#) + [Families](#) + [Providers](#) + [Quality Improvement Process](#) + [Resource Centers](#) + [Support Networks](#) + [Q](#)

[PROGRAM LOGIN](#)



[LEARN MORE](#)

[FIND PROGRAMS](#)

[HELP PAYING FOR CARE](#)

 [English](#)

Accessibility continued...

MiLEAP partnered with Michigan State University (MSU) to create child care maps to prioritize counties as urgent and high need in demand for child care

The maps identify,

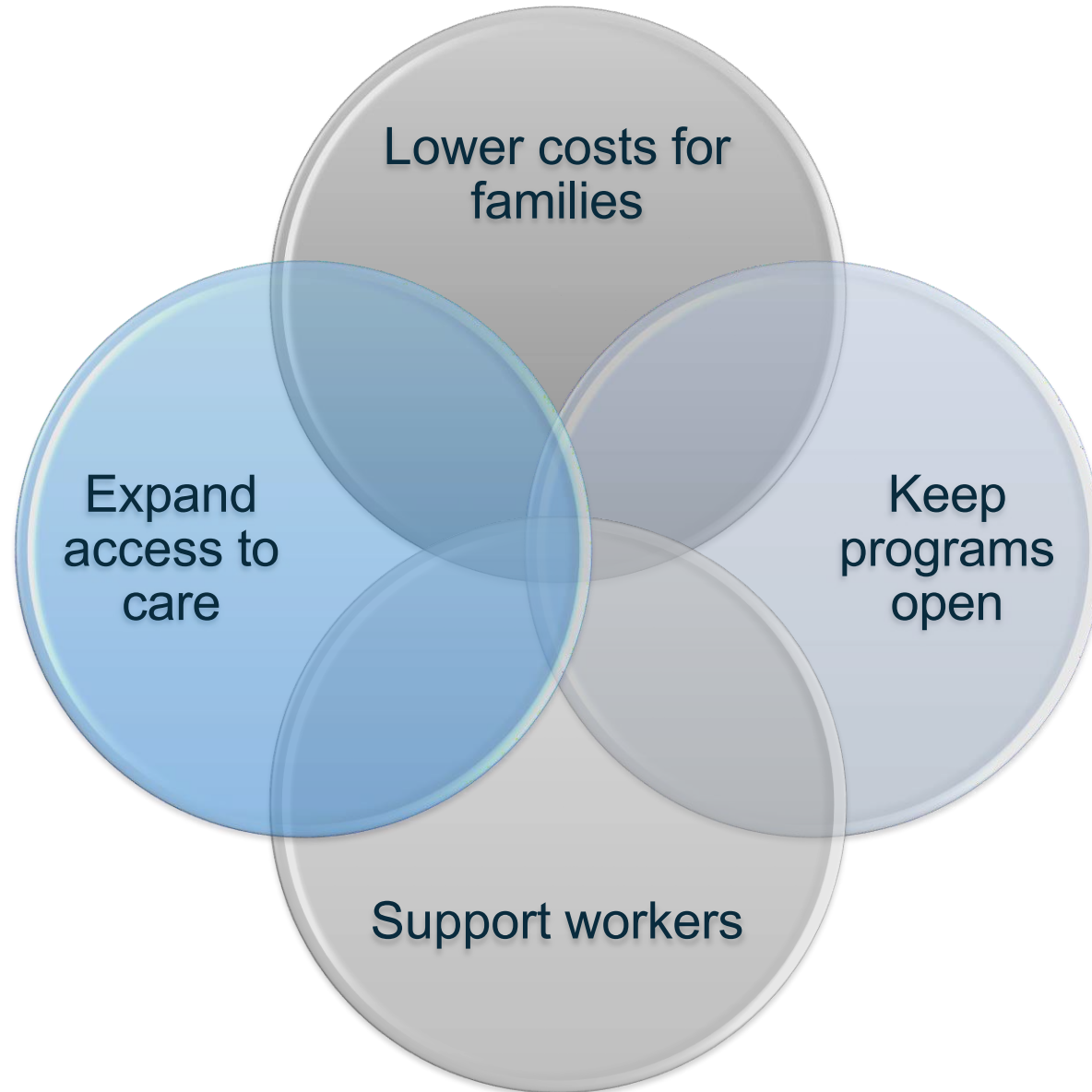
- program location
- staff shortages
- capacity
- child population

<https://cep.msu.edu/projects/child-care-mapping-project>

What Have We Done?



\$1.4 billion Investment



We're making progress

Lower Costs for Families

- 150,000 more families eligible for low or no cost care
- 59 counties served by Tri-Share
- 40,000 children GSRP

Keep Programs Open

- ~\$1b in stabilization grants
- 6,000+ programs received operational funds since 2020
- Passed bipartisan legislative package to cut red tape- looking forward to further collaboration

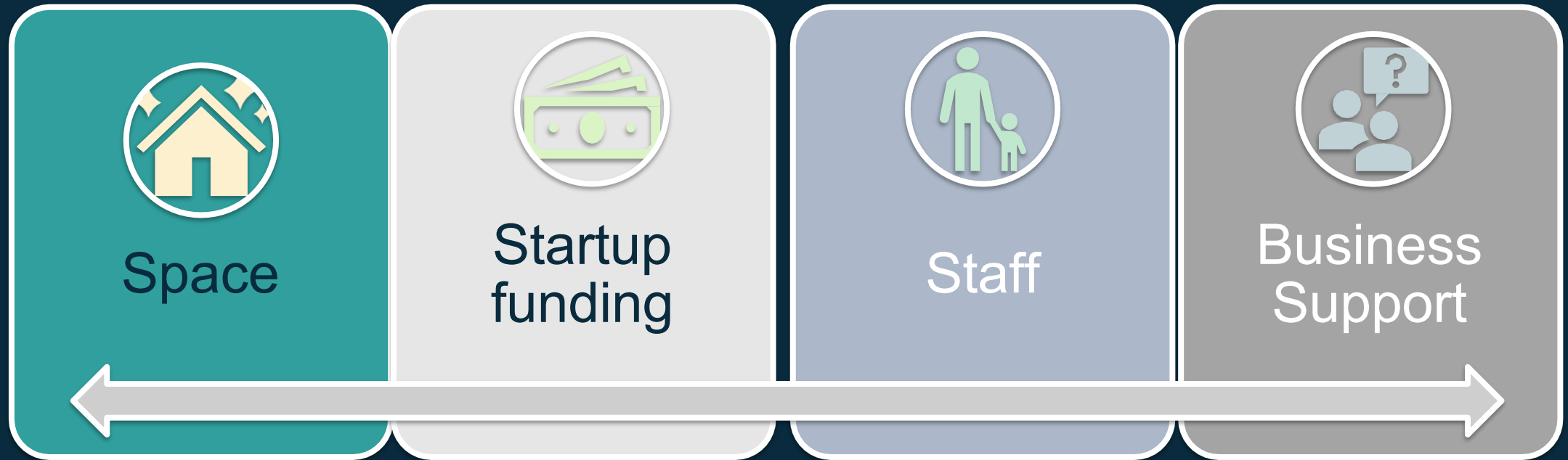
Support Child Care Professionals

- 38,000+ professionals received \$1,000 bonuses
- \$5m in scholarships
- \$5m for apprenticeships
- Licensing flexibility

Expand Access to Care

- Over 1000 new providers, a year early.
- \$100m for Caring for Mi Future (including \$50m for facilities)
- Expanded ratios in home-based care

Caring for MI Future



Child Care Scholarships (formerly subsidy):

Rate increases by 40%
since 2019, one time
investments

Policies to align with how
child care businesses
charge tuition

Options that meet
parents' needs

**We're continuing to
Innovate**



Regional Planning Grants

Opportunity	Regional planning coalitions bringing economic development, municipalities, employers, parents and early childhood leaders together to accelerate community-level efforts to address regional child care needs.
Impact	<ul style="list-style-type: none">• 10 regional coalitions representing all regions of the state• Coalitions are providing crucial regional solutions for families and the economy

Apprenticeship Programs

Opportunity	<ul style="list-style-type: none">• The Michigan Child Development Associate (MI CDA) is the first nationally registered early childhood apprenticeship program• Improved staff stability: The retention rate of employees who complete a registered apprenticeship program is more than 90 percent• Currently piloted in 12 regions
Impact	<ul style="list-style-type: none">• Improved credentialing and education of early childhood professionals while they are on the job• Guaranteed wage increase upon program completion• Child Development Associate (CDA) Certificate of Completion is issued upon program completion

Family Child Care Networks

Opportunity	Create specialized, staffed networks for family child care providers to enhance supports for home-based child care (HBCC), including quality, access to services, and sustainability
impact	<ul style="list-style-type: none">• 22 networks serving 420 home based business owners• Reduced barriers + provided supports for:<ul style="list-style-type: none">◦ 32 HBCC business owners to become licensed◦ 15 HBCC providers to become licensed exempt◦ 40 HBCC business owners in pre-licensure process◦ 33 HBCC business owners to start accepting child care scholarship• 76% of network members have received practice and quality supports that improve quality of programs or caregiving• 73% of network members have received comprehensive services support to access resources and services for the children and families they serve<ul style="list-style-type: none">◦ An estimated ~2,200 children are currently being served by HBCC business owners in the networks• 62% network members have received financial or business sustainability support to ensure programs are financially sustainable

Tri Share

Opportunity	<ul style="list-style-type: none">• Through MI Tri-Share, the cost of an employee's child care is shared equally among the employer, the employee and the State of Michigan — a three-way split
Impact	<ul style="list-style-type: none">• 575+ children & families participating. (nearly 800 overall)• 178 employers participating.• Being replicated in Indiana, New York, North Carolina, and Kentucky.



PreK for All

Big Goal

- All 118,000 four-year-olds have the option to attend a free, high-quality PreK program.
- Michigan leads the nation for enrollment in high-quality PreK.

Why?

- PreK for All helps kids learn, grow, and get ready for kindergarten.
- PreK for All puts money back in family's pockets.
- PreK for All supports & attracts talent.

How?

- Expand & strengthen state's Great Start Readiness Program – in partnership with schools, child care providers, and federally-funded Head Start.

**Why is there still a
challenge?**



Challenges in Child Care

Profits are slim

- Especially for infants and toddlers

Demand is hard to predict

Public funds are small part of total system

Wages are Low, even for best paid staff

Selected Occupations Ranked by Median Hourly Wage, Michigan, 2022



Source: Occupational Employment and Wage Statistics; All teacher estimates exclude special education teachers. Hourly wages for preschool teachers, kindergarten teachers, and elementary school teachers account for standard school schedules. All other occupations assume 40 hours per week, 12 months per year.

What's next?

Executive Budget Highlights



Strengthen the Child Care Scholarship (Subsidy)

Proposal	Strengthen the Child Development and Care Program to continue providing low or no cost child care options for 40% of families with children under 12.
Opportunity	<ul style="list-style-type: none">• Provide safe, quality early learning opportunities for kids.• Put money in families' pockets.• Increase workforce participation.• Strengthen the child care industry & expand access for all families.
Impact	<ul style="list-style-type: none">• 100% of participating families are working or going to school.• 38,000 children & their families served monthly.
Investment	\$55.8M federal and GF ongoing.



\$55.8M Child Care Investment



- \$37.9M for a 10% rate increase for all providers. (half federal; half GF)
- \$8.5M for a 30% rate increase when caring for children in foster care.
- \$4M for Family Child Care Networks.
- \$4.8M to improve child care facility inspections.
- \$500,000 to ensure drinking water quality at child care centers. (GF)

Recruit Child Care Professionals

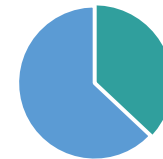
Proposal	Pilot offering low or no cost child care as a benefit to professionals working in licensed child care.
Opportunity	<ul style="list-style-type: none">• Recruit and retain top talent.• Put money in families' pockets.• Provide quality early learning opportunities for kids.
Impact	<ul style="list-style-type: none">• ~8,000 licensed child care programs can offer the benefit to recruit and retain staff.• 385,000+ Michigan kids attend a licensed child care program staffed by early learning professionals.
Investment	\$60M federal one-time.

\$13.71

Median hourly child care worker pay or ~\$28,500 annually.

\$10,600

average cost for child care for one child annually.



37%

of their salary to child care if they want their child to receive the same care they provide.

PreK for All Proposal Summary

- 1 Expand eligibility to allow all four-year-olds to participate, regardless of income.
- 2 Open 6,800 more spaces (63,000 total).
- 3 Create more opportunities for providers to participate and families to enroll.

Thank you

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Michigan.gov/MiLEAP