




# MOVE THE NEEDLE ON CHILD CARE ACCESS


"We need affordable, quality day care. I'm a mom, and we need to be able to trust the people we leave our kids with."


-Kelly, Grand Rapids

## THE ROAD AHEAD

To help families get access to affordable, quality child care, Michigan must make sure that:

 More families have help with child care costs.

 More child care providers can keep their businesses open and provide high-quality care.

 Fewer areas of the state have child care shortages.



## TIME FOR A TUNE-UP

Michigan families struggle with child care issues, but with a new influx of federal funds, our state has an unprecedented opportunity to help. In 2018, Congress approved an increase in funding for the Child Care Development Block Grant (CCDBG), with Michigan receiving \$63.5 million in additional funding each year. The new funds can be carried forward for several years, but so far Michigan has committed only a small percentage of the funds.



## ABOUT THE OWNER'S MANUAL FOR MICHIGAN

We all agree Michigan needs a major tune-up. And like the real vehicles we all depend on, it takes a lot of components and tools to make our state go. Without good jobs and training, reliable healthcare, quality education, strong families, and a safe environment, our state can't run properly. That's why we've created a clear and comprehensive plan to help lawmakers on the road ahead—the Owner's Manual for Michigan.

# REPAIRING THE PROBLEM:



## HOW TO IMPROVE CHILD CARE ACCESS

- 1. Increase income eligibility cutoff for child care support to the federal cap of 85% of state median income.** Currently, Michigan has one of the lowest income eligibility thresholds in the country. Families cannot earn enough to offset child care costs and are not eligible for assistance. This leaves many business owners struggling to attract and retain lower-wage workers. The Child Care Development Block Grant (CCDBG) permits states to provide subsidies to families with incomes of up to 85% of state median income, and Michigan should move toward that goal.
- 2. Increase child care subsidies to ensure that parents can afford 75% of the child care in their communities and that providers can improve quality.** The child care business is so underfunded and undervalued that providers cannot charge what it really costs to provide high-quality care, and parents with low or moderate incomes cannot afford better quality care. Federal law recommends that states set subsidy rates at levels that allow families to purchase 75% of the licensed care in their communities, and Michigan falls short of that goal.
- 3. Establish grants and contracts with providers to increase high-quality care for shortage areas.** Severe shortages of high-quality child care exist in many areas of the state—particularly for parents who work evenings, weekends, or uncertain schedules, as well as those who need care for infants and toddlers or children with special needs. Several states are using contracts and grants to purchase child care slots for these underserved families and children.

## SHARING THE ROAD

**Equity is of utmost importance when it comes to building a better Michigan.** Differences in economic and educational opportunities for families and children of color are at the core of racial and ethnic inequities. Access to high-quality child care, which is out of reach for many families with low incomes, is a proven strategy for improving equity across generations. Michigan has an opportunity to address both high levels of poverty for children of color, as well as reduce inequities in school achievement based on race and ethnicity.

