Think Babies Michigan

VIRTUAL TOWNHALL
CHILD CARE PROVIDERS: YOUR VOICE MATTERS

April 15, 2020

Michigan has a once in a lifetime opportunity to invest in our state’s child care system with funding provided by the federal government through COVID relief in December 2020 ($292 million) and the American Rescue Plan ($650 million Child Care Stabilization Grants and $450 million Child Care and Development Block Grant (CCDBG)). This is about $1.4 billion dollars available to Michigan.

On Thursday, April 15th over 250 of Michigan’s child care providers and educators came together for a Virtual Townhall to share their ideas on how the federal funds should be spent based on their current and long-term challenges. Joining the Townhall as a part of a listening panel were policymakers from the Governor’s Office, Michigan Department of Education and several state representatives to hear more about what type of action is needed.

View the recorded Townhall and download the full report.

Child Care Townhall: Summary Report

Who participated in the Townhall?

43% - PROVIDERS, CENTER-BASED
42% - PROVIDERS, GROUP/HOME AND LICENSE EXEMPT
1% - LEGISLATOR/ LEGISLATIVE STAFF
9% - ADVOCATE/ COMMUNITY ORGANIZATION
5% - OTHER
**Currently:**

As a child care provider or child care business owner, what are the biggest challenges you are facing today?

- Finding and retaining qualified staff, and adequately compensating them. Both COVID and the difficulty to pay competitively and provide benefits creates challenges with staffing.
- Difficulty staying open due to COVID exposures, the costs and energy to ensure a safe facility, continued low enrollment, not enough room for virtual learners when schools close due to outbreaks and hardship finding substitute educators and caregivers.
- Operating expenses, like rent, food costs, health insurance and facility maintenance.
- Wait lists are long because there are not enough providers in the area or enough qualified staff enroll of more children.
- Families are hesitant to enroll their children in care.

What ideas do you have about how these funds could most effectively support child care providers and business owners right now?

- Provide grants, tax-free to:
  - Help with reopening, increased business costs, lost revenue, background checks and fingerprinting;
  - Cover costs of increasing business expenses, like rent, food and health insurance; and,
  - Assistance to increase capacity and expand business.
- Fund hazard pay for child care owners and staff.
- Expand funding for innovative practices at the regional or community levels.
- Offer MiRegistry trainings for free to all providers as staff cannot afford these costs.
- Provide bonuses and increased wages for staff and support to complete education or training.
- Pay child care subsidy by enrollment, not by attendance.
- Publicly fund child care beyond the child care assistance program, increase eligibility for more parents to receive assistance, and process applications faster for families.

**Long-term:**

As a child care provider or child care business owner, what challenges do you anticipate in the next year?

- Ability to set up staff with a career as opposed to a stepping stone to another profession.
- Staffing and turnover will continue to be a significant issue.
- Challenges with taxes and other business operations that have significant implications.
- Paying for rent and other increased business expenses are expected to continue next year.
- Difficulties meeting the demand for infants and toddlers, particularly adding the extra space needed and complying with licensing rules.

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*One of the critical components to serve vulnerable families is access to subsidies. This continues to be a barrier as many families struggle to navigate the rigors of DHHS. Providers do not want to accept subsidy-eligible families due to navigating these same processes.*

- MI Child Care Provider

*Start-up funds to support the start-up of new home-based businesses would be a game-changer in terms of expanding capacity.*

- MI Child Care Provider
What ideas do you have about how these funds could most effectively support child care providers and business owners over the next year?

- Capital for facility improvements, including support for maintaining high-quality care (e.g., outdoor classrooms, toys and supplies), along with building maintenance. Including funding to support License-Exempt Providers in making improvements in order to become licensed.
- Support for group health and retirement plans for child care businesses.
- Payment per student allocation for children attending child care to help stabilize cash flow.
- Implement shared services models and connect child care providers with business resources.
- Support to care for additional infants and toddlers.
- Support for providers caring for children with social-emotional and other developmental delays.

Thanks to the Virtual Townhall listening panel, including leaders from the Office of the Governor, Michigan Department of Education – Office of Great Start and invited State Legislators.

Most importantly, thank you to all Michigan Child Care Providers and Early Educators – you are essential and your voice matters. We are so grateful that so many child care experts shared their powerful stories and gave their time at the end of a long day to help shape stronger policy and funding decisions for early childhood. Thank you.

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