



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.

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

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.



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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