

Michigan's Children

Public policy in the best interest of children

- **All children need care**
- **Families will decide what care works best for them**
- **The market based model does not work for families or providers, so government must subsidize the system**

Child Care Investments from Other States

Minnesota

- \$1.3 billion over four years for childcare investments
- In FY24 budget, \$750 million in new revenue for child care and early learning programs that will add thousands of additional child care and pre-K seats, increase reimbursement rates for early learning providers, reduce copayments for families, and increase wages for child care workers.

Massachusetts

- \$475 million in FY24 budget, same requested for FY2025
- Shifted to base reimbursement rates to providers on the true cost of care instead of market rate

North Dakota

- \$66 million investment in the state's childcare-assistance program

Vermont

- \$125 million ongoing investment dedicated to child care funded by a new payroll tax

New York

- \$459 million investment from the state general fund into the child care assistance program

Louisiana

- \$51 million new state investment into the child care assistance program

Washington

- Implemented a capital gains tax that will create dedicated revenue for child care and the total education system, up to \$500 Million per year

Wisconsin

- Directed \$170 million in unspent pandemic relief funds to continue the Child Care Counts program to support and grow the child care provider network

Think Babies Michigan Policy Priorities for Child Care: 2023-2025

- Maintain family eligibility for subsidy at 200% of the federal poverty level and fund an information campaign to reach and enroll all eligible families.
- Ensure providers are prospectively reimbursed based on the true cost of care analysis and based on eligible child enrollment rather than attendance.
- Provide funding to support implementation of an infant-toddler contract model.
- Automatic eligibility of early care and education providers into the Child Development and Care subsidy program for their own children to attend child care.
- Increase funding to intermediaries, including Child Care Resource & Referral, Early Childhood Support Networks, and other institutions of trust for child care providers.
- Funding Structure: Create a dedicated fund for the early childhood system, maximize existing funding sources, use the true cost of services to inform future investments and invest in coordination of services and systems.