

July 26, 2022

Dear Senator Stabenow and Senator Peters,

Michigan is facing a [child care crisis](#) that is getting worse with every passing day and will not improve without significant, sustained federal investments in early learning and care. As negotiations on a budget reconciliation package continue, we support a streamlined, early learning proposal, like the one spearheaded by Senator Patty Murray and Senator Tim Kaine, that builds on the existing Child Care and Development Block Grant (CCDBG) and Head Start programs, as well as the great work underway in states on Pre-K. It is imperative that any final reconciliation package includes the child care investments necessary to support our nation's working families and, in turn, our economy.

At a time when working families are struggling with higher prices on essential goods and services, child care is often the greatest expense families face at a cost nationally of over \$10,000 per year,¹ if parents can find it at all. This is a real challenge considering that 44% of Michigan families live in child care deserts where access to care is extremely limited.² An inability to find or afford quality child care and early learning shouldn't be the reason parents are not working. Yet, for years, the high cost of quality care and the limited supply in Michigan have created insurmountable financial challenges for too many families, while dedicated, highly skilled early educators are leaving the sector in droves due to low wages. Currently, Michigan's child care field is experiencing staff turnover rates as high as 25-30%.³ The child care crisis is real, felt by families in every community, and it will not be solved without significant, sustained federal investments to address the chronic challenges of access, affordability, supply, and quality.

The pandemic brought to light the essential nature of child care in our country, while also revealing profound flaws in the system. The reality is that the current American child care structure is simply unsustainable. Most parents can't afford the high cost of care, while too many families in our state live in areas without access to quality care options at all. Further, providers can only charge what families can afford, which often translates to near-poverty wages for early educators; the median hourly wage for child care teachers, who are primarily women and disproportionately women of color and immigrant women, is just \$13.31.⁴ Child care teachers in Michigan are making even less than the national average, at just \$11.54,⁵ and Michigan child

¹ Child Care Aware of America. (2022). Demanding Change: Repairing our Child Care System. <https://www.childcareaware.org/>

² Michigan League for Public Policy. (2022). Kids Count Michigan Data Book. <https://mlpp.org/2021-kids-count-michigan-data-book/>

³ Michigan League for Public Policy. (2022). Confronting Michigan's Early Childhood Workforce Crisis. <https://mlpp.org/confronting-michigans-early-childhood-workforce-crisis/>

⁴ Bureau of Labor Statistics. (2021). Occupational Employment and Wages, May 2021. U.S. Department of Labor. <https://www.bls.gov/oes/current/oes399011.htm>

⁵ Bureau of Labor Statistics. (2021). Occupational Employment and Wage Estimates Michigan, May 2021. U.S. Department of Labor. https://www.bls.gov/oes/current/oes_mi.htm

care teachers with bachelor's degrees are earning 22% less than their peers in the K-8 system, with nearly 1 in 5 having incomes below the poverty line.⁶ Currently, the child care sector is still down over 100,000 jobs from pre-pandemic levels, leaving families to rely on a child care system that has lost 10% of its workforce.⁷

The Child Care and Development Block Grant (CCDBG) is the main federal program that provides child care assistance to families; however, at current funding levels, it only serves 15% of income-eligible families.⁸ Federal relief funding was critical to addressing these present and ongoing challenges, mitigating further losses, and ensuring the survival of child care, but it will not address its longstanding instability. Furthermore, this supplemental relief funding is temporary, as it was intended to be, and we will soon find ourselves facing expanded and compounded challenges if long-term, sustainable, and robust funding is not provided. It is critical that we increase funding for CCDBG today, to ensure we mitigate the impact of the expiration of relief funding in 2024.

As the country moves toward economic recovery, Congress must commit to large sustained investments in CCDBG, Pre K, and Head Start, to ensure families and providers alike have access to a stable mixed-delivery system of care they can depend on. The infrastructure already in place in every state will allow for quick dissemination of funds that will enable the existing system to better meet the needs of American children and families. An infusion of funds to CCDBG will also allow states to improve compensation, in turn enabling the recruitment and retention of a talented workforce, while giving states the means necessary to meet their statutory and regulatory requirements around quality improvement. Additionally, funding through a new matching program will provide states the opportunity to expand child care assistance to middle-income families. Finally, these investments will allow states to address the rapidly-deteriorating state of early learning facilities nationwide. The physical spaces where young children learn, play, and grow contribute to their cognitive development and social, emotional, and physical well-being, as well as teacher effectiveness and well-being.

The need to address underlying issues in our child care and early learning structure, and to develop a system that works better for families and providers alike, is great. While the pandemic has revealed the cracks in the foundation of our child care system, it has also revealed a stark reality concerning how essential child care is for the future success of our country. It is critical that we sufficiently fund CCDBG in order to mitigate the impact of the expiration of relief funding in the near future, help secure ample child care supply and capacity, support quality

⁶ Michigan League for Public Policy. (2022). Confronting Michigan's Early Childhood Workforce Crisis. <https://mlpp.org/confronting-michigans-early-childhood-workforce-crisis/>

⁷ Bureau of Labor Statistics. (2022). The Employment Situation – April 2022 [News Release]. U.S. Department of Labor (calculated using February 2020 as baseline). <https://www.bls.gov/news.release/pdf/empst.pdf>

⁸ Office of the Assistant Secretary for Planning and Evaluation. (2018). Estimates of Child Care Eligibility and Receipt for Fiscal Year 2018 [Fact sheet]. U.S. Department of Health & Human Services. <https://aspe.hhs.gov/reports/estimates-child-care-eligibility-receipt-fy-2018>

options for families, and create a strong and secure foundation for the early learning and care infrastructure in this country. The budget reconciliation process provides the only opportunity to do just that. We look forward to working with Congress as we seek to address these systemic issues and enact meaningful, sustainable solutions that are a significant step forward in meeting the needs of America's working families.

Signed,

Best Friends Daycare and Preschool

Caring Across Generations

Center for Success Network

Child Care Network

Coalition on Temporary Shelter

Council of Michigan Foundations

Detroit Hispanic Development Corporation

Detroit Parent Network

Help Me Grow Michigan

Kalamazoo County Ready 4s

Michigan Association for Infant Mental Health

Michigan Association for the Education of Young Children

Michigan's Children

Michigan Council for Maternal and Child Health

Michigan Division for Early Childhood

Michigan League for Public Policy

Middle M Management, LLC

Montcalm County Great Start Collaborative

Northern Michigan Community Health Innovation Region

Oakland Forward

Oakland Schools

Oakland University Pontiac Initiative, Early Childhood Education Group

Pontiac Promise Zone Authority Board

Pulse

Ready for School

Somerset Academy

Spratt LLC

Starfish Family Services

Think Babies Michigan

YWCA Kalamazoo