

# 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.