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Protect MI Childcare: Business leaders, childcare experts warn proposed budget changes would force childcare providers to close

Michigan still facing childcare crisis affecting both families and businesses

LANSING – Michigan childcare and business leaders Tuesday urged state legislators to reconsider budget changes that would cause childcare facilities to close, worsening the state’s childcare crisis. The coalition warned that budget language eliminating childcare funding for community-based organizations (CBO) and hindering childcare provider employment would have disastrous effects.

“Affordable, accessible childcare is a key hurdle facing employers and working parents alike across Michigan as our [‘Untapped Potential’ report](#) last year reaffirmed,” said **Leah Robinson, director of legislative affairs for the Michigan Chamber**. “That’s why we have to keep moving forward, together, on building up our childcare providers and infrastructure, not weakening them. These proposals would unfortunately jeopardize the progress that’s been made. Our state’s families and businesses simply can’t afford that.”

Alarming proposals in the House and Senate would undo progress made in recent years to address our state’s already crippled childcare industry. Progress has been seen through initiatives like the MI Tri-Share Initiative and legislative reforms enacted in 2022 but more time is needed for the full impact to be seen. The coalition came together today urging Michigan legislators to support Gov. Whitmer’s proposed budget language that would protect access to essential childcare services.

Language in the House budget would eliminate the ability of community-based childcare providers to access funding, making it hard for childcare providers, many of which are minority and women-owned, to survive.

“If community-based childcare providers are left out of funding for universal preschool, or public schools are prioritized for slots, it will have a devastating impact on infant and toddler programs that are already short of meeting the needs of families in Michigan,” said **Tyler Huntley, CEO of Huntley’s Clubhouse in Big Rapids**. “Legislators should really consider that Universal Preschool is new and making big waves now is short sighted and dangerous.”

Senate budget language attempts to create pay parity between private providers and publicly funded providers. This creates an unrealistic salary threshold since private providers do not have access to the same revenues public districts have. This requirement will either force providers to close their doors or significantly increase tuition, both situations that will hurt families struggling to access childcare.

Marcus Keech, Director of Government Affairs at the Grand Rapids Chamber stated: “Childcare providers are woven into the fabric of our society and provide parents a trusted place for early childhood care as they return to the workforce. Without adequate childcare options, the workforce cannot work, and businesses cannot thrive. We urge the Legislature to reconsider both proposed changes in the School Aid budget and prioritize the path forward in caring for our children.”

There is only enough childcare available in Michigan for 31% of children under six years old. Business and childcare leaders are urging legislators to reject proposed childcare changes in the budget and instead give the childcare industry time to grow in Michigan under existing policies, as proposed in Governor Whitmer’s budget recommendation.

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