

MI

MICHIGAN

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56,648

Kids set to lose child care

1,261

Child care programs expected to close



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CHILDREN IN MICHIGAN SET TO LOSE CHILD CARE DUE TO CHILD CARE CLIFF

Beginning September 30, 2023, states will face a steep dropoff in federal child care investment. Without Congressional action, this cliff will have dire consequences. More than three million children are projected to lose access to child care nationwide. Seventy thousand child care programs are likely to close. This will have ripple effects for parents forced out of work or to cut their work hours, for businesses who will lose valuable employees or experience the impact of their employees' child care disruptions, and state economies that will lose tax revenue and jobs in the child care sector as a result.

Congress should act quickly to protect Michigan's children, families, and communities from the higher costs, reduced earnings, and productivity loss that will come with going over the child care cliff.



"How will I stay open? I can have 7 kids at \$3.00 to \$3.50 an hour. I cannot buy food, pay business utilities, and insurance on that. I cannot raise rates on families. Right now the grants and the higher state aid are all that is keeping me open. State pay goes back down next year. I do not know if I will stay open past that."

FAMILY CHILD CARE OWNER/OPERATOR

56,648

Without intervention, **56,648** children in Michigan are expected to lose their child care as a result of the stabilization cliff.

1,261

1,261 child care programs are projected to close - making it even harder for families to find safe, nurturing child care options.

\$152 MILLION

Michigan parents will lose **\$152 million** in earnings as a result of being forced to cut work hours or leave the workforce.



As children and families feel these consequences, so will state economies. The loss of the federal funds will mean:

\$162 MILLION **\$5.3 MILLION**

less in employer productivity

less in state income tax

4,105 CHILD CARE JOBS

Finally, the child care sector has been far behind the rest of the economy in recovering jobs post-pandemic. We hear stories around the nation about child care classrooms having to close because there are not enough early educators. An additional **4,105 child care jobs** are expected to be lost in Michigan, at a minimum.