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# Universal pre-K for Detroit? Affordable child care? How Michigan could spend new federal funds

BY ERIN EINHORN - FEBRUARY 7, 2019



PHOTO: Ann Schimke

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Advocates for Michigan's youngest children were thrilled last year when the state received an unexpected windfall: a \$63 million increase in federal child care funds.

Then the jockeying began.

Detroit Mayor Mike Duggan quickly identified that money as a way to pay for the universal pre-K system he envisions for Detroit — one that would allow every 4-year-old in the city to attend preschool for free.

It's something the mayor thinks is urgent.

“The challenge of kindergarten readiness is perhaps nowhere more acute than it is in Detroit,” said Eli Savit, Duggan’s top education advisor.

Other advocates say the money should be used the way Michigan and most other states have traditionally used federal child care subsidies — to help parents afford child care so they can work or go to school.

They note that Michigan has [one of the lowest income cutoffs](#) in the nation for subsidized child care, meaning only the poorest families in the state can benefit from the program. They want Michigan to catch up with other states that allow even middle-class families to qualify for subsidies. And they want the state to pay child care providers more so more of them will accept children whose parents are using subsidies — and more providers will stick with the program rather than drop out after struggling to make ends meet.

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“We have 100 licensed early child care and education providers closing their doors in Michigan every month,” said Dawne Bell, who heads the state’s Early Childhood Investment Corporation. “There hasn’t been clarity about the urgency of the unmet need and ... families are losing out every day that we don’t have a plan.”

A spokeswoman for Gov. Gretchen Whitmer said the governor won’t comment on specific budget matters until she releases her executive budget in March. But advocates on all sides hope the new governor will drop some guidance in her first State of the State address next week.

What she says could offer important insight into how she plans to approach the needs of young children in Michigan, whether that means focusing on certain cities or prioritizing the needs of 4-year-olds versus those of younger children.

“It’s an interesting policy debate as well as a positive debate to have,” said Matt Gillard, who leads an advocacy organization called Michigan’s Children. “I could easily make an argument that universal pre-K in Detroit is a worthwhile expenditure of these funds, but on the other hand, our overall child care system is so lacking.”

The money at the center of the debate comes from a \$2.37 billion increase to federal child care funding that was approved by Congress last March. It was the largest increase in annual funding to states in the history of the nearly 30-year-old child care program.

States have until September of this year to earmark the funds, but many have already started spending the money.

A [report](#) by the National Women’s Law Center last month found that more than half of states are using the money to raise payment rates for child care providers. Others are using the money to serve additional families, or to improve the quality of existing programs.

In Michigan, former Gov. Rick Snyder last year spent some of the money, using \$15 million to improve the way child care providers are compensated and \$2.5 million for a scholarship program that helps early childhood teachers pursue college degrees or teaching certificates, a spokesman for the state education department said.

The state also saw an increase in demand for child care subsidies, which claimed another \$14.6 million. But more than \$30 million of last year's funds has yet to be earmarked, giving Whitmer a chance to set her own priorities. She could reallocate the money in future years if, as expected, the money continues to come in future federal budgets.

Whitmer, a Democrat, campaigned last year on the promise of extending universal pre-kindergarten to all 4-year-olds in the state.

She could use the child care money to start that effort in the state's largest city, where many of the state's neediest children are concentrated, and where Duggan prominently supported her campaign last year.

But the idea faces a number of hurdles. Among them: Spending a lot of money on a program primarily in Detroit could be a hard sell to GOP lawmakers from across the state, who control both chambers of the legislature.

An [analysis](#) from the state education department last year found that the mayor's proposal to create the 1,900 additional pre-K seats that would be needed to serve all 4-year-olds in Detroit would cost more than \$11 million.

That would mean, that "18 percent of \$63 million would be going to one city while ignoring needs in others," a state official wrote in a memo that was prepared for Snyder. The memo was [posted](#) by the conservative news site Michigan Capitol Confidential.

Other critics of the mayor's proposal argue that directing the child care money to a pre-K program for 4-year-olds doesn't make sense given that the state already has a successful pre-K program called the Great Start Readiness Program, while options for younger children in Michigan lag behind other states.

Another hurdle for the mayor's proposal is that federal law and state policies impose restrictions on who can benefit from federal child care funding.

For example, only children whose parents make less than \$47,000 a year — 85% of the state's median income — currently qualify for child care subsidies, and generally only

if those children's parents are working or going to school.

Supporters of the mayor's vision argue, however, that the state relaxed some of the rules in 2016 when it approved emergency funding to meet the needs of young children in Flint who were affected by that city's water crisis.

The emergency funding enabled Flint to create two [full-day, high-quality preschool programs](#) and to relax some of the rules that normally apply to the funding. "That gave us the flexibility to make sure that any child who could have been impacted by the water, either in utero or alive, was eligible" for the new programs, said Denise Smith, who heads the Flint early childhood collaborative.

Smith notes that funding for the programs is set to expire next fall. Flint advocates are also on the list of people hoping for a piece of the new child care funds. The city needs \$2.7 million over three years to continue operating at current levels, Smith said.

Detroit hasn't faced an acute emergency on the scale of the one in Flint, but supporters of Duggan's vision argue that the dire state of Detroit schools calls for a similarly robust response. The stakes for schools just got higher because a new state law next year will require schools to hold back students who aren't reading at grade level by the third grade.

Smith, who is on the stewardship board of the Hope Starts Here initiative, which is a push to improve the quality of life for young children in Detroit, said she is sympathetic to the argument that Detroit needs the money for pre-K. But she notes that the number of 4-year-olds needing preschool in Detroit — about 1,900 — is dwarfed by the [more than 20,000](#) babies and toddlers who need preschool or child care.

"I don't know, given our current landscape, that we can target just 4-year-olds," Smith said. "I think it makes sense to have a plan to involve multiple age groups ... We know that the earlier the foundation is laid, the more persistent it is. And we need to get those young children in a stream of critical thinking and discovery sooner rather than later."

Savit said Duggan shares the desire to see more and better programs for babies, toddlers, and even pregnant moms, but the mayor believes that pre-K is a good place to begin.

“There’s no question that we need far more investment in the 0-3 space,” Savit said. “But there’s a pressing need, and real opportunity, for 4-year-olds as well. When you invest in 4-year-olds, you have an opportunity for continuity with the school system.”

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**By Erin Einhorn**   @ERINLEINHORN   EEINHORN@CHALKBEAT.ORG

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