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Bipartisan Bill Package Would Bolster Child Care Proposals

Governor Gretchen Whitmer and Republicans in the Legislature on Monday signaled that they have shared priorities in reforming Michigan's child care system, which would see a significant upgrade through the use of federal coronavirus dollars and a legislative package to be announced Tuesday.

Ms. Whitmer on Monday unveiled details of a proposal to spend \$1.4 billion in federal child care funding to expand access to high-quality services, to make that care more affordable and support child care professionals.

The two rounds of stimulus funding passed through the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act will allow Michigan to implement expanded investments above the \$241.5 million the state receives annually in federal Child Development and Care program dollars.

"We've got an opportunity right in front of us to make significant investments in childcare, and so I think it's important that we live the values that I know we all share," Ms. Whitmer said at a news conference Monday. "Decades of studies and data prove that where and how children spend their time matters, (affecting) their lifelong health and their lifelong ability to make a living. As we build back better from this pandemic, we have to understand just how essential childcare is for the economy as a whole."

Among Ms. Whitmer's proposals for making child care more affordable are plans to increase income eligibility from 150 percent of the federal poverty level – or \$39,300 annually for a family of four – to 200 percent or \$53,000 annually for a family of four from August 1, 2021, through September 30, 2023. Ms. Whitmer estimates the move could make low or no-cost child care available to an estimated 150,000 more children. Income eligibility permanently increases to 160 percent of the federal poverty level thereafter, or to \$41,920 annually for a family of four.

The governor also proposed increased access to the child care subsidy for student parents enrolled in Michigan Reconnect and Futures for Frontliners for a period of 12 months.

Support for early educators would come in the form of premium pay for child care professionals with stipends paid quarterly from July 2021 through September 2022. Ms. Whitmer also wants to maintain mental health supports provided by infant and early childhood mental health consultants for children enrolled in care.

Measures to stabilize child care providers would include raising child care subsidy rates by 20 percent for providers to move closer to the market rate, providing business stimulus grants to all child care providers to https://www.gongwer.com/news/index.cfm?article_ID=601140103 6/15/2021

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help them remain open. Ms. Whitmer also wants to expand access through grants to new and burgeoning sites in communities without adequate child care – with at least 10 percent of proposed American Rescue Plan stabilization grants set aside for that purpose.

In an email, State Budget Office spokesperson Kurt Weiss said Ms. Whitmer's proposal is made up of \$1.1 billion from the American Rescue Plan and nearly \$300 million previous stimulus money allocated through COVID-19 response and supplemental funding passed in December 2020. That funding is in addition to the \$250 million typically received annually from the federal government.

Notably, the House approved more than \$1.4 billion in one-time federal support for child care in early May, a plan contained in **HB 4419**. The bill includes funding to temporarily increase provider reimbursement rates, provide support grants, and increase the income eligibility threshold, among other components.

Meanwhile, several House Republicans and two of the chamber's Democrats on Tuesday plan to detail an eight-bill package at a press conference. The package would codify various reforms to implement both their and Ms. Whitmer's child care spending priorities.

The package is being led by **Rep. Jack O'Malley** (R-Lake Ann) along with bills from **Rep. John Roth** (R-Traverse City), **Rep. Greg VanWoerkom** (R-Norton Shores), **Rep. Julie Calley** (R-Portland), **Rep. Rodney Wakeman** (R-Saginaw Township), **Rep. Greg Markkanen** (R-Hancock), **Rep. Kelly Breen** (D-Novi) and **Rep. Ranjeev Puri** (D-Canton).

Ms. Whitmer is expected to attend the press conference Tuesday.

Several of the proposals are the product of a workgroup consisting of lawmakers, child-care providers and members of the governor's administration which. The task force was created at the beginning of the current legislative session.

O'Malley legislative aide Eric Chappell said that a few of the bills are similar to those introduced in the previous session.

One would allow a 90-day grace for providers to implement a slate of new rules to be promulgated by the Department of Licensing and Regulatory Affairs, while another – sponsored by Mr. O'Malley – would increase the ratio in a family or group home from six children to one adult staff member to seven per staff member, Mr. Chappell said.

The package would also create a family child care network and a liaison to provide support and a one-stopshop for regional resources, which would help eliminate obstacles to services, he added.

Another bill would keep online previous violations incurred by a child care provider so families can research facilities before using them, but the bill would make that online disclosure publicly available only for three years. At present, Mr. Chappell said some online violation listings go back some 15 years and can paint a facility in a bad light especially if it has been able to effectively address its violations.

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A similar bill would close a loophole that allows child care providers to get a clean slate from past violations if they've changed company names – a measure that would allow LARA to better track companies and their previous violations.

House Appropriations Committee Chair **Rep. Thomas Albert** (R-Lowell) in a statement said that the child care funding issue is one area that Republicans, Democrats and Ms. Whitmer see eye-to-eye.

"I am encouraged the governor has joined the Michigan House in making child care a priority," Mr. Albert said. "There is a fair amount of overlap between what the House approved earlier this spring and what the governor announced today, and there are also some differences to work through. I am confident we will find common ground to move forward and make a real difference helping Michigan families meet their child care needs."

In a statement, Matt Gillard, president and CEO of Michigan's Children, called the governor's plan "a great step forward."

"For far too long, Michigan has trailed behind other states when it comes to supporting investment in our child care system," Mr. Gillard said. "Now is the time to create a brighter future for our state, our children, their parents, and the needs of our labor force and Michigan's economy."

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