

## State- and federally-funded early childhood opportunities serve more than 127,574 children and families in Michigan.<sup>1</sup>

High-quality early childhood education (ECE) is proven to dramatically improve a child's opportunities for a better future - particularly children from low-income families - while offering parents improved job stability and overall economic security. Research has shown an annual 13% return on investment per child through better education, economic, health, and social outcomes.

Much of the progress at the state and local level has been made possible by strong partnerships with the federal government aimed at expanding access and increasing quality for more children. Many state and community programs are funded exclusively with federal dollars, while others leverage federal funding to offer high-quality early learning and care opportunities beyond what is possible with state funding alone.

At current funding levels, however, these programs reach only a fraction of the population they are intended to serve. A significant, sustained federal investment is needed to build a system of care that ensures all working families who need it can access affordable, high-quality options that work for them.

The COVID-19 pandemic demonstrated both the essential role of the early learning sector and the critical need for federal support to sustain it. [The Child Care and Development Block Grant \(CCDBG\)](#), for example, was key to providing relief to child care providers and ensuring access to care for thousands of working families. States have discretion and [varying timelines](#) for spending and reporting on the use of these funds. Consequently, that information is not included here.

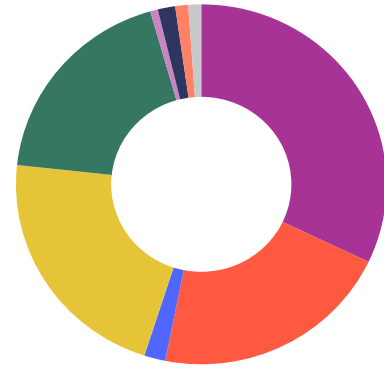
To learn more about the programs referenced, read FFYF's [ABCs of Federal Early Learning and Care Funding Streams](#).

### MICHIGAN QUICK FACTS

Population Under Six <sup>2</sup>	659,175
Under Six Living in Poverty <sup>3</sup>	23.35%
Children Enrolled in Head Start <sup>4</sup>	24,578
Eligible Children Served by Head Start <sup>5</sup>	28.18%
Children Enrolled in Early Head Start <sup>6</sup>	7,057
Eligible Children Served by Early Head Start <sup>7</sup>	6.83%
Children Under Six Served by CCDBG and Mandatory Funds <sup>8</sup>	24,765
Eligible Children Under Six Served by CCDBG and Mandatory Funds <sup>9</sup>	4.90%
Families Served by the Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV) <sup>10</sup>	1,597
Children Enrolled in State Funded Pre-K <sup>11</sup>	37,368
Children Served by the Individuals with Disabilities Education Act (IDEA) Part C <sup>12</sup>	11,615
Children Served by IDEA Part B, Sec. 619 <sup>13</sup>	20,594

<sup>1</sup>This figure includes beneficiaries of Head Start, Early Head Start, CCDF, MIECHV, state-funded Pre-K, and IDEA Parts B, Sec. 619 and C. In some cases, children and families are served by more than one program. <sup>2</sup>U.S. Census Bureau (Census) <sup>3</sup>Census <sup>4</sup>Office of Head Start Performance Indicator Report (PIR) <sup>5</sup>PIR and Census <sup>6</sup>PIR <sup>7</sup>PIR and Census <sup>8</sup>Office of Child Care (OCC) FY2019 CCDF Preliminary Data Table <sup>9</sup>Center for American Progress (CAP) - Early Learning in the U.S.: 2019 <sup>10</sup>Health Resources and Services Administration (HRSA) <sup>11</sup>National Institute for Early Education Research (NIEER) - State of Preschool 2020 <sup>12</sup>U.S. Department of Education (ED) <sup>13</sup>ED

Head Start and Early Head Start <sup>14</sup>	\$368.4 M
CCDBG and Mandatory Funds <sup>15</sup>	\$241.5 M
CCDBG State Match <sup>16</sup>	\$21.2 M
State-Funded Pre-K <sup>17</sup>	\$249.6 M
TANF <sup>18</sup> Early Learning and Care Expenditures <sup>19</sup>	\$216.4 M
MIECHV <sup>20</sup>	\$7.6 M
Preschool Development Grant Birth Through Five <sup>21</sup>	\$17.4 M
IDEA Part C <sup>22</sup>	\$13.0 M
IDEA Part B, Sec. 619 <sup>23</sup>	\$12.9 M



## Early Childhood Education and the Michigan Economy

**69%**  
OF CHILDREN UNDER SIX

In Michigan, 69% of children under six have all available parents in the workforce.<sup>24</sup>

**26%**  
OF THREE AND FOUR YEAR OLDS

26% of three- and four-year-old children attend public ECE.<sup>25</sup>

In addition to the significant impact of early childhood education on children and families in the short and long term, early learning and care can have an immediate impact on state economies. Access to affordable child care can increase labor force participation and support parents seeking additional education and training, which contributes to higher earnings over an individual's lifetime.

**In Michigan, the child care industry has an estimated economic impact of \$1.8 billion, including revenue generated by child care providers and spillover or related productivity in other sectors.<sup>26</sup>**

**An estimated 46,418 jobs are sustained by the child care sector.<sup>27</sup>**

## Lack Of Supply and the High Cost of Care Challenging for Working Families

Limited access to high-quality child care presents a tremendous challenge for working families, and too often, the care that is available costs more than families can afford.

**44%**  
OF RESIDENTS

44% of Michigan residents live in a "child care desert."<sup>28</sup>

**\$10,870**

\$10,870 is the average annual cost of center-based infant care,<sup>29</sup> 12% of the state median income.<sup>30</sup>

**\$7,596**

\$7,596 is the average annual cost of home-based infant care.<sup>31</sup>

The pandemic only exacerbated these long-standing issues as many providers, who under normal circumstances operated on razor-thin margins, were forced to close in the face of increased costs and declining revenue. Prior to the pandemic, [160,000 openings](#) for child care workers were projected annually, and between February 2020 and June 2021, an additional [115,000](#) child care sector jobs were lost and still have not been recovered.

<sup>14</sup>Head Start Early Childhood Learning and Knowledge Center <sup>15</sup>OCC GY2020 CCDF Allocations (Based on Appropriations) <sup>16</sup>Ibid. <sup>17</sup>NIEER <sup>18</sup>Temporary Assistance for Needy Families (TANF) <sup>19</sup>Office of Family Assistance TANF FY2019 Financial Data <sup>20</sup>HRSA <sup>21</sup>OCC (includes non-federal match amount) <sup>22</sup>ED <sup>23</sup>Ibid. <sup>24</sup>Census <sup>25</sup>NIEER (includes preschool, Head Start, and Special Education) <sup>26</sup>Committee for Economic Development (CED) <sup>27</sup>CED <sup>28</sup>CAP defines "child care desert" as any census tract with more than fifty children under age five that contains either no child care providers OR more than three times as many children as licensed child care slots. <sup>29</sup>Child Care Aware of America - 2020 State Fact Sheets <sup>30</sup>Ibid. <sup>31</sup>Ibid.