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Michigan Ranks 32nd in Child Well-Being, Challenges for Families Exacerbated by Inaccessible and Unaffordable Child Care

Annie E. Casey Foundation Reports that 13% of Children Nationwide and 14% in Michigan Live in Families That Made Job Changes as a Direct Result of Child Care Problems and Affordability

LANSING, MI — Michigan continues to be among the bottom half of states for child well-being, according to the **2023 KIDS COUNT® Data Book**, a 50-state report of recent household data developed by the Annie E. Casey Foundation analyzing how children and families are faring. This year's Data Book highlights how the lack of affordable and accessible child care throughout the country has caused parents in all states, including Michigan, to frequently miss work or even quit their jobs, while those who can find care are paying dearly for it. These child care challenges are costing the American economy billions of dollars a year, while also hindering women professionally and causing working families to struggle financially.

The numbers in this year's *Data Book* show that there has been a 23% increase in the percent of Michigan children living in families where no parent had full-time, year-round employment, with the state figure jumping from 26% (556,000 children) in 2019 to 32% (680,000 children) in 2021. The data also shows that 18% of Michigan children (377,000) were living in poverty in 2021 – a number that stayed relatively flat from 2019.

"Too many families are continuing to struggle to make ends meet here in Michigan, which has been compounded by the COVID-19 pandemic as well as a child care system that has pushed workers, especially women, out of the workforce and has had a direct impact on the well-being of children at a critical time in their development," said Anne Kuhnen, Kids Count in Michigan Director for the Michigan League for Public Policy. "We must do more to support families that are struggling to find affordable, accessible child care, so that they can continue to work, pay their rent and buy life's necessities, such as food, diapers and clothes."

The *Data Book* reports too many parents cannot secure child care that is compatible with work schedules and commutes. In 2020–21, 14% of Michigan children 5 and under lived in families in which someone quit, changed or refused a job because of problems with child care, which is slightly above the national average of 13%. Additionally, women are five to eight times more likely than men to experience negative employment consequences related to caregiving.

Even if parents can find an opening at child care near their home, they often can't pay for it. Michigan's average cost of center-based child care for a toddler was \$11,309, 11% of a married couple's median income and 37% of a single mother's median income in the state. The share of a single mother's income that goes to center-based child care in Michigan is higher than 38 other states, highlighting the significant burden particularly for single working mothers in the state to be able to make ends meet for their families.

While the cost of care burdens families, child care workers are paid worse than 98% of professions. Median national pay for child care workers was \$28,520 per year or \$13.71 an hour in 2022, less than the wage for retail (\$14.26) and customer service (\$18.16) workers. Paying child care workers low wages

worsens disparities for women, who comprise virtually all of the workforce, and women of color, who are disproportionately represented. The failings of the child care market also affect the current and future health of the American economy, costing \$122 billion a year in lost earnings, productivity and tax revenue, according to one study. All of these challenges put parents under tremendous stress to meet the dual responsibilities of providing for their families and ensuring their children are safe and nurtured.

Each year, the *Data Book* presents national and state data from 16 indicators in four domains — economic well-being, education, health and family and community factors — and ranks the states according to how children are faring overall. For the 2023 national *Data Book*, Michigan was ranked 32nd in the nation overall for child well-being.

Within the domains, Michigan was ranked 30th in family and community factors, 32nd in economic well-being and 42nd in education, which was, once again, the state's lowest ranking. Michigan's best national rank in the four domains was 26th in health, and the state was, once again, fourth-best in the country for children without health insurance. Another bright spot for Michigan was the teen birth rate, which has dropped by 59 percent from 2010 to 2021.

"While we saw some positive trends in this year's *Data Book* from a teen birth rate and health insurance perspective, there is certainly more that can be done to improve children's health. That is why we are continuing to advocate for positive policy decisions here in Michigan, including using the Immigrant Children's Health Improvement Act (ICHIA) option to waive the five-year waiting period for health care coverage for lawfully residing children and pregnant people," said Monique Stanton, President and CEO of the Michigan League for Public Policy. "Our poor education ranking is also top of mind, which is why we are also continuing to advocate for a better weighted school funding formula based on student need."

In addition to the national *KIDS COUNT Data Book* released today, the Michigan League for Public Policy will release its *2023 Kids Count in Michigan Data Book and Profiles* in August to identify state and local trends in four domains: economic security, education, health and safety, and family and community. Michigan policymakers and child advocates can use the important national, state and local data found in both of these resources to evaluate past policy and investment decisions and identify ongoing areas of need for Michigan kids and families.

On the child care front, the Annie E. Casey Foundation is calling on federal, state and local governments as well as public and private leaders and Congress to be a part of transitioning the country's faltering child care system to a flourishing one through new thinking and investments. An executive order issued by President Biden in April is aimed at expanding access, lowering costs and raising wages, which could prove to be a helpful framework, but more is needed:

- Federal, state and local governments should invest more in child care. State and local
 governments should maximize remaining pandemic recovery act dollars to fund needed child
 care services and capacity. Congress should reauthorize and strengthen the Child Care and
 Development Block Grant Act, and increase funding for public pre-kindergarten and Head Start.
- Michigan lawmakers should enact policies supported by the <u>Think Babies Michigan</u> collaborative, including those that focus on increasing access and affordability of child care, ensuring child care subsidies are fully utilized by families and providers and growing the critical work force needed by thousands of Michigan families by making child care an in-demand career path.
- Public and private leaders should work together to improve the infrastructure for home-based child care, beginning with lowering the barriers to entry for potential providers by increasing access to start-up and expansion capital.
- To help young parents, Congress should expand the federal Child Care Access Means Parents in School (CCAMPIS) program, which serves student parents.

RELEASE INFORMATION

The 2023 KIDS COUNT® Data Book will be available at www.aecf.org. Additional information is available at www.aecf.org/databook. Journalists interested in creating maps, graphs and rankings in stories about the Data Book can use the KIDS COUNT Data Center at datacenter.aecf.org.

The Michigan League for Public Policy, https://www.mlpp.org, is a nonprofit policy institute focused on opportunity for all. Its mission is to advance economic security, racial equity, health and well-being for all people in Michigan through policy change. It is the only state-level organization that addresses poverty in a comprehensive way.

The Annie E. Casey Foundation creates a brighter future for the nation's young people by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more information, visit www.aecf.org. KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.

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