



Networks Northwest Coalition | 14 Impactful Solutions

Regional Child Care Plan

“If the region wants to be desirable to young families there has to be a change.”—LEELANAU COUNTY PARENT

Solution 3

[DOWNLOAD THE FULL PLAN HERE](#)

Introduction to the 14 Solutions

The following 14 Solutions arise from more than 100 distinct ideas generated by the Regional Child Care Planning Coalition

The following Child Care Solution module is one of 14 Solutions that comprise the Regional Child Care Plan of the Networks Northwest Regional Child Care Planning Coalition. The 49-member Coalition represents regional and community partners in the northwest-lower Michigan counties of Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee and Wexford.

The work of the Coalition is funded by a Regional Child Care Planning grant awarded and supported by Michigan's Early Childhood Investment Corporation (ECIC) Child Care Innovation Fund in order to understand and address the child care crisis and to expand equitable access to high-quality, affordable child care for working families. Grants were issued to 16 regional coalitions covering every part of Michigan.

Regional Child Care Planning grants were issued to ECIC by the Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP), utilizing American Rescue Plan Act (ARPA) funds from the Office of Child Care, Administration for Children and Families, U.S. Department of Health and Human Services.

Each Solution Module:

Meets several criteria:

- **Impactful** – in the opinion of the Coalition, directly addresses one or more of the Root Causes impacting the regional child care system and will improve access, affordability and/or quality.
- **Vetted** – have proven to be successful regionally or elsewhere
- **Sponsored** – one or more regional entities or groups is presently committed to or leading implementation

Consists of five components::

- **Primary Root Cause** addressed
- **An introductory paragraph** summarizing the solution, why it can be beneficial and how it can be implemented
- **Background and Context** – relates why the solution may be needed or beneficial, along with some historical context where applicable
- **Examples and Priorities** – showcases examples of comparable approaches implemented within the region or elsewhere and then highlights implied priorities for implementation
- **Potential Near-Term Actions** – calls out near term actions that different groups of stakeholders can take in order to move toward implementation

The 14 Solutions are:

1. State Investment
2. Local Public Funding
3. Policy Changes 
4. Local Planning & Zoning
5. Provider Incubation
6. Community Facility Investments
7. Micro-Centers
8. Credential Pathways
9. Substitute Pools
10. Universal Preschool
11. Home-Based Universal Preschool Option
12. Employer Policies & Actions
13. Enhanced Family Navigation
14. Peer-to-peer & Community Collaboration

Policy Changes

Adopt policy changes that help providers acquire and maintain licenses

SOLUTION

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Expanding the number of providers in the region's mixed-delivery child care system requires reducing barriers that discourage new providers from becoming licensed and that cause existing providers to close their licenses. Policy modifications are needed in three areas: 1) application and review processes, 2) provider evaluation processes, 3) home-based and center-based regulations. In addition, policy makers should consider a variety of proactive approaches to increase provider sustainability.

Background & Context

Operating a child care of any type is challenging work.

As detailed in *Root Cause: Broken Business Model*, child care providers are limited in their ability to charge enough to earn a living wage. As described in *Root Cause: Too Many Barriers* this low-compensation work is typically complicated by a regulatory structure that can make it confusing, time-consuming, and burdensome to establish and maintain a child care license. Because of *Root Cause: Workforce Gaps* many providers, especially center-based providers, have difficulty finding the quantity and quality of staff needed to comply with rules and ratios.

No one set out to make the rules hard.

The rules and processes are designed so that licensed child care programs adhere to high standards of health and safety for the benefit of children, families and child care educators. But there are some real points of friction that are driving out potential providers, thus creating gaps in the capacity of the mixed-delivery child care system to meet the needs of regional families.

Issues and Opportunities as Viewed by Providers

Home-based and center-based providers had the opportunity through group discussions and in-depth interviews to describe their experiences, both in general and specifically as it relates to the current regulatory processes and practices. Their input is summarized below.

Providers generally appreciate the home-based and center-based regulations governing operation of child care programs. They feel the majority of rules protect children, protect providers and reduce the likelihood that people who shouldn't be given charge of children may gain access to the profession.

Both home-based and center-based providers expressed a desire for more:

- Review and revision of certain rules and processes considered unnecessarily burdensome
- In general, either eliminating "unfunded mandates" that drive direct and indirect costs for rule compliance or providing accompanying funding for rule implementation

PRIMARY ROOT CAUSE
ADDRESSED:

**Too Many
Barriers**



- Fast track options and other preferential licensure processes for established/experienced providers relative to first time applicants
- Constructive assistance when staying in compliance with licensure rules and reviews, especially when potential issues are identified
- Reconsideration of the age ranges and educator to child ratios for infant and toddler care, since these rules currently dis-incentivize providing care to children younger than 30 months, the age group of highest regional need

Home-based providers—both Family Child Care Home and Group Child Care Home providers—expressed the following general frustrations:

- Difficulty qualifying for state and federal financial stimulus programs associated with pandemic relief

- Belief that the Child Development and Care (CDC) scholarship program, which is designed to subsidize child care slots for lower income working families that meet certain criteria, is not sufficient to compensate providers for the true cost of care (see *Solution 1: State Investment for more information*)

Center-based providers expressed the following challenges, which are directly or indirectly related to current policy:

- The facility rule requirements overall are expensive to meet
- The required frequency of inspections for utilities (e.g. furnace, water heater), and environmental health and safety issues (e.g. sanitation, water, sewage, radon and food safety) results in costly fees¹
- Because finding the quantity and required quality of staff is challenging and costly, especially to meet Great Start Readiness Program (GSRP) Lead Teacher requirements (a bachelor's degree with dedicated focus in early childhood education or child development), providers must pass on costs to parents, solicit donations for tuition subsidy and/or operate financially in the red
 - *Note: Recruitment of credentialed staff to meet Lead Teacher and GSRP standards for the highest quality rated centers is made even more challenging due to the inability to pay wages commensurate with elementary school teachers.*

¹ Licensing Rules for Child Care Centers, December 18, 2019 <https://www.michigan.gov/mileap/early-childhood-education/cclb/rules>

Examples & Priorities

The following recommendations to lower barriers throughout the process of becoming and remaining licensed in Michigan emerge directly from discussions with providers. In some cases, recommendations relate to the Child Care Licensing Bureau (CCLB), the state bureau that provides key oversight functions for licensed child care settings—issuance of state licenses, routine inspections, complaint investigations, and enforcement of state and federal requirements.²

Modifying the Application Process

Providers report that the application process is too long and overwhelming. The most often heard complaint for applicants is the length of time involved in completing the multi-step application process, which can often extend to 5 or 6 months or more, even when all application materials are submitted correctly and on time.

The recently introduced Child Care Hub Information Records Portal (CCHIRP) system, coupled with Our Strong Start (OSS)³ navigators, helps make the application process less overwhelming. However,

² <https://www.michigan.gov/mileap/early-childhood-education/cclb/about-cclb>

³ The OSS aims to open new and expand existing child care programs and offer trained navigators as support

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providers believe these supports have not substantially reduced the time required for license approval.

Until recently, a CCLB-approved local fire marshal could conduct an on-site visit and provide the applicant with a report detailing any necessary changes for inspection approval. More recent policy requires centers to submit architectural drawings (building plans) and other documents to the Bureau of Fire Services (BFS) for a review that can take up to 12 weeks after submission of the plans.⁴

The length of time and fees associated with obtaining a license can be financially challenging for an unemployed and aspiring provider hoping to start a business or for an established provider without surplus funds in their budget.

Suggestions to streamline the application process:

- Frequently review processes to identify opportunities to reduce fees and to trim time for application, review, inspection review, and reports
- Add additional field staff, including Our Strong Start navigators, to promote more timely response during the application process
- Add a fast-track option for applicants with child care experience and credentials to differentiate from novices who need more support or time

- Provide an alternative to the required 6-hour orientation for applicants who have held a child care license in Michigan
- Allow documentation of training in required areas to substitute for MiRegistry⁵ training modules

Modifying the Child Care Licensing Review Process

The relationship between Child Care Licensing Bureau field staff and child care providers can be challenging. Providers recognize that CCLB staff have an enforcement role they must perform by documenting violations of licensing rules, requiring Corrective Action Plans and initiating penalties. However, providers wish they could have more consultative support in meeting rule requirements.

The Great Start to Quality Resource Centers are charged with providing direct support for continuous quality improvement to providers. By working more closely with these resource centers, Child Care Licensing Bureau field staff can focus on their oversight and enforcement role while providing avenues for licensed providers to continue to operate and offer the care that is so often desperately needed by regional families.



Suggestions to strengthen and improve the provider inspection and investigation process:

- When minor technical infractions occur (e.g. submitting paperwork with signatures placed in the wrong area or N/A written instead of “none”), give providers an opportunity to correct before “writing up” an infraction
- When more significant violations are identified or Corrective Action Plans are requested, send a non-binding referral to Resource Center Staff so that they may provide support to the provider in developing approaches to return to full compliance with licensing rules
- Consider attaching positive quality steps and outcomes to public documentation, along with infractions and negative results, e.g. quality ratings, successful completion of GSQ training, operating practices that exceed expectations and the like

⁴ Technical Assistance and Consultation Manual Child Care Centers, R400.8510, Updated May 2024

⁵ Michigan's professional development registry for the early childhood and school-age workforce

“Ultimately there are two broad approaches to addressing the barriers to establishing and maintaining a child care license in Michigan: 1) eliminate the barriers, 2) create incentives that make the remaining barriers worth navigating.”

Suggestions to Strengthen and Improve Licensing Rules

As mentioned, providers generally appreciate the licensing rules and feel they help children, families and providers.

However, providers note that some rules are expensive to implement and others feel “over the top” for what is reasonable to maintain safety and quality.

Providers request that the following changes be at least considered:

- Eliminate the requirement that fingerprints be renewed every five years
- Adjust current child care ratios for home-based providers to allow two children aged birth to 12 months, instead of birth to 18 months, leaving four available slots for children aged 13 months to 24 months; this would allow providers to serve more infants and toddlers, the age range where the regional need for care is most acute
- Eliminate cleaning requirements for items that aren't dirty or haven't been used
- Reduce costly facility renovations (e.g. requirements to install significant fire suppression and retardant infrastructure) by examining statutes on health, safety and environment providing flexibility in complying with requirements through less costly alterations that still ensure the health, safety and welfare of children

- Consider alternative credential and training requirements for center-based Lead Teacher and GSRP positions and/or create new credentialing supports (see *Solution 8: Credential Pathways*) so that center-based providers may more easily fill these positions from the pool of qualified candidates
- Modify rules that inhibit flexibility in providing care —e.g., sleeping infants must remain in a crib rather than an infant stroller, which limits outside time for older children in mixed-age programs
- Reduce paperwork needed for all children in home-based care settings by changing the frequency of completing required “field trip” forms from daily to quarterly if the field trip is on the provider's property where the residence is located. Note: The current rule requires providers who include nature walks outside the approved fenced-in area, but still on the provider's property, to complete a field trip form for every child included each time children are outside the approved fenced area
- Create a central hub where all paperwork requirements that relate to a provider's business operation are located; providers interviews describe multiple different websites where different required paperwork needs to be submitted and maintained
- Eliminate the requirement that a child visiting the provider's children after school must be counted in the provider's ratio and must have appropriate

paperwork for the visiting child. A provider's own children do not have to be included in provider-child ratios after the child turns six years of age. However, if a child comes to play with the provider's child after school, the visiting child must be counted as part of the provider's ratio unless the visiting child's parent also is on the premises. This applies until the visiting child reaches age 18

- Alert providers via email when there is a change in rules, on reporting forms and equipment recalls at the time the change occurs so the program policy manuals can be kept up to date. The monthly newsletter contains some but not all changes/updates/recalls. Resume the policy of sending out new forms to replace current ones when the form has been updated

Suggestions to Increase Provider Sustainability

Ultimately there are two broad approaches to addressing the barriers to establishing and maintaining a child care license in Michigan. The first is to eliminate the barriers and the second is to create incentives so the barriers are “worth” navigating.

The following approaches fall in the second category and emerge directly from provider input:

- Develop solutions designed to enhance wages and benefits available to child care educators (see *Solution 1: Public Funding*)



Consider new benefits such as “free child care” for educators working in the child care field - benefits that are fully funded and do not place an additional burden on providers through unfunded mandates

- Subsidize housing for educators, including child care educators
- Working with community colleges and other educational and workforce development agencies, increase access to credentialing and degree programs for child care educators (see Solution 8: Credential Pathways)

“Overcoming barriers to the provision of child care is important to ensure families in rural areas have access to quality licensed family child care options.”

- Subsidize shared services for child care business owners such as enrollment, billing, bookkeeping and insurance

Summary

Overcoming barriers to the provision of child care is important to ensure families in rural areas have access to quality licensed family child care options. The Child Care Licensing Bureau currently is in the process of reviewing and updating regulations for center and family/group home licensing and operation. Many of these suggestions are already being considered by the Bureau in their review process and will likely result in positive changes.

Potential Near-Term Actions

Policy makers should continue streamlining and simplifying licensing requirements, reducing regulatory burdens, reducing costs, speeding application and review time and expanding the availability of guidance.

Policy makers should provide funding support for new and longstanding mandated requirements to reduce the financial burden of implementation.

Policy makers should provide new financial incentives to help alleviate economic pressures and encourage more providers to enter the market.

Legislators should provide funding for additional child care licensing staff to significantly reduce the time required for obtaining a license.

Child care advocates should meet with policy makers stressing the importance of a living wage for child care providers in addition to other benefits in order to expand and retain child care services for Michigan families.

Child care providers should continue to request changes to rules and policies that negatively impact their ability to provide quality child care, while taking advantage of available resources (e.g. Resource Center staff) to meet existing requirements.

Networks Northwest Coalition

Regional Child Care Plan 2024