

## Labor & Rural Childcare

March 7, 2024



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### **About Huntesy's Clubhouse:**

- 6 locations over 4 counties (Osceola, Mecosta, Newaygo, Montcalm)
- 165 team members
- Capacity to serve 750 children each day

### **Summary:**

Undoubtedly the greatest challenge facing early education programs is labor. Finding, training, and retaining is an ongoing issue throughout the United States.

### **Primary Points:**

- National industry turnover average is 48% (EY Parthenon)
- Limited talent pool in rural communities
  - Train & retain
- #1 reason for staff leaving is **pay**
- Significant training investment required to provide quality programming
- Lack of consistent teachers is primary complaint from parents
- Most major licensing violations are when staff are new or not in home room
- Only option to raise pay is to increase tuition on working families
  - Can't give long term raises with short-term State investment
    - Grants
    - Subsidy rates (decreased, annual changes)
  - Rural communities we serve have low-income levels, tuition ceiling is low

### **Opportunities for legislative assistance:**

- State funded retention bonuses for early educators
- State payroll tax breaks (employer & employee)
- Property tax abatement for child care centers
- MESSA Benefits for early educators
- Tax credits for early educators

I would like to be viewed as a partner and resource to assist with solving the labor challenge for early educators in Michigan. If the State is going to help, I believe the rural communities need to be represented.

Tyler Huntesy, CEO

Huntesy's Clubhouse

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