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Michigan’s childcare regulations should move toward national levels

Unnecessarily strict rules make it hard to find affordable providers

By Warren Anderson | July 2026

Michigan is afflicted with near-stagnant population growth, and many parents who want childcare struggle to find it. The state’s lawmakers can address both problems by revisiting the regulations they place on childcare providers.

The state ranks in the middle of the country in a recent review of childcare regulations. That number comes from the Archbridge Institute, which released a report of childcare regulations across the 50 states. It created an index based on a composite score of four different regulatory requirements: child-to-staff ratios, group size limitations, and mandatory employee education and training rules. Archbridge scholars calculated how strict or flexible a state is in regulating childcare centers. Michigan was 25th, suggesting that the state can reform its policies to protect children while making daycare more available for those who want it.

Prior research shows that more regulations decreased the number of places that offered childcare, with the largest impact found in lower income markets. The childcare centers that survived despite increased regulations did not expand their services, so the total number of options for parents declined with more intense regulation. Researchers did find, however, that more regulations increased the number of accredited childcare firms.

More stringent regulations are associated with fewer childcare providers, but that’s not their only impact. There’s some evidence that childcare regulations affect the number of children people have. Four researchers, including two authors of the Archbridge index, looked at what impact regulations have on the “fertility gap.” That’s the difference between the number of children women say they want to have and the number they actually have. This is an important topic, as falling

birthrates challenge the sustainability of government welfare programs, among other issues.

The researchers behind the fertility-gap study reviewed survey responses from 12,000 mothers and calculated the fertility gap of that study population. They then compared this gap to regulations to see if they could explain some of the gap. Among Michigan respondents, for example, they found that women, on average, have 0.79 fewer children than they claim to want.

The more tightly regulated states have larger fertility gaps, according to the researchers, with the regulatory requirement that matters most being staff-to-child ratios for children from 18 months to 5 years old.

That finding is significant for Michigan, which ranks 44th among the states for that requirement. For 18- to 24-month-old children, Michigan requires one adult per four kids, whereas the national average is 5.5. Moving the regulation to five or six children per adult would help lower costs. Thirty-seven states have ratio requirements of that size or higher, including Indiana, Illinois, Wisconsin and Ohio. The difference between Michigan and other states is even larger for two- to two-and-a-half-year-olds. Michigan still requires one adult per four children, but the national average is 7.2.

It's easy to object to lowering any standard, especially when it comes to policies related to young children.

But the suggestion here is to move Michigan toward the national average. There is no evidence that Michigan's stricter regulations have led to higher quality or safer childcare services compared to other states. Furthermore, other research has found that childcare regulations meant to increase quality do not necessarily accomplish that task. Rather, they make childcare more expensive.

Falling population numbers matter for Michigan. From 2000 to 2020 Michigan's population grew by a little more than 1%. In comparison, the United States population increased by about 18%. A growing population helps promote job creation, tax system stability and steady school enrollment. By reforming Michigan's childcare laws to match national norms, policymakers can make it easier for entrepreneurs to enter the childcare market and lower costs for parents, which will have a positive effect on population growth.

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