



March 29, 2007

To: Members of the House Appropriations Subcommittee  
for the Department of Human Services

From: Sharon Claytor Peters, President & CEO

RE: FY 2008 Department of Human Services Budget

On behalf of Michigan's Children and its Board of Directors, I am pleased to share our comments on the fiscal year 2008 budget for the Department of Human Services (DHS). First, let me stress that Michigan's Children remains concerned that the cumulative effect of cutbacks in previous years has been that more of our children are in peril. Therefore, as you exercise your obligation to allocate Michigan's scarce resources, we urge you to place all potential solutions to the state's structural budget deficit—including revenue options – on the table. Specific revenue options have already been put forward and we urge your action on those or alternatives in order to assure that the resources necessary to protect children are available.

Michigan's Children has as a top priority the elimination of racial and ethnic disparities in child well-being, and we urge you to consider the problem of disparity as you address the budget. Michigan's Children is particularly concerned about the over-representation of children of color in Michigan's foster care and juvenile justice systems. We thank you for your past support of budget language requiring the DHS to address the problem. The resulting task force on over-representation, which Michigan's Children was a member of, produced a report with recommendations and is working to address the problem. We urge you to carefully review the report, and to support the recommendations contained in it.

The publicity related to the deaths of Isaac Lethbridge and Ricky Holland has focused public attention on child abuse and neglect and Michigan's protective services system. While it is very clear that the DHS needs sufficient resources to investigate suspected child maltreatment and monitor the children who are under state supervision, we believe that much more needs to be done to prevent child abuse and neglect from occurring in the first place.

I am sharing with you an analysis by Michigan's Children of funding trends for children's services, including child abuse and neglect prevention services. Sadly, Michigan has been moving in the wrong direction with respect to the funding of child abuse and neglect prevention.

- The Families First program was reduced by nearly 20 percent between fiscal year 2000 and the current fiscal year.
- The Child Safety and Permanency Plan program, which provides funds to communities to increase responsible and safe alternatives for children at-risk of removal from their homes, was cut by 14 percent in the last five years.
- Child Protection/Community Partners, a community-based child abuse prevention program, has been reduced by over 20 percent since 2000.
- The Zero to Three Secondary Prevention program, which funds local services to prevent the maltreatment of the state's most vulnerable children, infants and toddlers, was cut by nearly 40 percent. Last year, \$1.5 million was added from the School Aid Fund, so total funding is down 19 percent since 2001.

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Specifically for 2008, we urge you to consider the following:

- Support the Governor's recommendation to increase the number of child welfare staff available to monitor children under state supervision. The state has no greater responsibility than protecting its children, especially those taken from their families and placed in foster care under the state's supervision. Current foster care caseloads--which range from 25 to 40 cases per worker--substantially exceed the widely accepted standard of 15 or fewer cases and compromise child safety.
- Oppose the privatization of child welfare services that was included in the Senate version of the DHS fiscal year 2008 budget, as well as in Senate Bill 220. While we appreciate Senator Hardiman's desire to maintain services in the face of budget cuts, we have concerns about the proposal and believe that more time needs to be taken to evaluate the human and fiscal implications.
- Support the Governor's recommendation to assist relatives, often grandmothers, who are caring for children under state supervision. Of the approximately 19,000 Michigan children under state supervision, nearly 40 percent are placed with relatives who receive little financial or other supports. We believe that placing children with relatives, when safety can be assured, is good public policy. Children in relative care are more likely to remain in their communities and schools, and stay with their siblings. Currently, grandparents and other relatives who agree to care for children under state supervision are eligible only for that portion of the FIP grant that covers the child--much less than the financial support provided to licensed foster parents. We believe that options should be provided to relatives, including subsidized guardianship and assistance with becoming licensed foster care providers.
- Expand funding for the 0 to 3 Secondary Prevention program. The state's youngest children are at the highest risk of abuse and neglect, so early intervention is critical. Secondary prevention grants provided to communities are used for home visits, parenting education and services for families with very young children. Evaluations prove that these services reduce the incidence of child abuse and neglect and improve school readiness. In the current year, a total of \$6.27 million is available for the program, including \$4 million from the DHS, \$524,000 from the Department of Community Health, and \$1.75 million from the Department of Education. We believe that \$10 million is needed to fully fund the program.
- Support local Great Start Collaboratives. Michigan's Children believes strongly that Michigan's efforts to create a workforce of the 21st century will falter if we fail to invest in children during the earliest years of life. The science is clear--more than three-fourths of the brain's "wiring" needed for language, memory and reasoning takes place by the age of three. The goal of the Great Start Collaboratives is to work together at the local level to ensure that the resources are available to help parents become their children's first and best teachers, and have access to high quality, voluntary early learning programs. With current funding, Michigan is able to support 21 local Great Start Collaboratives. An additional \$1 million would help move the effort statewide.
- Retain funding for marriage, fatherhood and teen parenting initiatives: Michigan's Children supports additional funding for fatherhood and family support initiatives that include parenting education, substance abuse counseling, and workforce development supports. The fiscal year 2008 Executive Budget reduced funding for marriage and fatherhood initiatives, funding which was restored by the Senate Appropriations Subcommittee for the DHS. We urge you to support the Senate subcommittee version. We also support continuation funding for the Teen Parent

Services program. Funding for the Teen Parent Services program was not included in the Governor's proposed budget, but was restored by the Senate subcommittee. Teens who become parents are at high risk of not completing school or succeeding in the workforce, and their children are more likely to be born low weight, be victims of abuse or neglect, live in poverty, and enter school ill prepared to learn. Teen parent programs are working to get young parents back in school or the workforce, and to ensure that their children get the health care and emotional supports they need.

- Reject additional cuts in child care services, including the Governor's proposed reduction in reimbursable hours: As Michigan expands its efforts to move low-income families from welfare to work through statewide implementation of the JET program, child care becomes even more critical, yet too little has been done to improve access to high quality care. Michigan currently reimburses child care providers at the 75th percentile of market rates more than a decade ago, and low wages have resulted in high turnover. Due in part to low reimbursement rates, transportation problems, and off-hours work schedules, three of every five low-income children whose care is subsidized by the state are now in unregulated care. And, because Michigan's child care consultants carry some of the highest caseloads in the country, at 300:1, the Michigan Auditor General found last year that the state was not effectively performing on-site visits and could therefore not ensure that licensed child care settings are safe.
- Continue funding for before- and after-school programs: Michigan's Children urges you to continue to provide \$5 million in funding for before- and after-school programs. Funding authority for the programs was reduced from \$16 million in fiscal year 2001 to \$5 million in fiscal years 2005 through 2007. The Governor's proposed budget eliminated funding for the programs, funding which was restored by the Senate Appropriations Subcommittee for the DHS. We urge you to support the Senate subcommittee version.

Again, thank you for this opportunity to have input into the budget process. I am available to address questions now and throughout the budget process. Please feel free to contact me at 517/485-3500 or by e-mail at [peters.sharon@michiganschildren.org](mailto:peters.sharon@michiganschildren.org).