

Budget Advocacy: Keep Pressure on State Lawmakers Year-Round

By Matt Gillard

Child and family advocates agree: There is no good that can come from eliminating the Michigan Earned Income Tax Credit (EITC) which thousands of Michigan families rely on to make ends meet and keep from poverty.

Neither can we accept nearly \$700 million in annual cuts to the state's budget when many general fund programs are designed to help children, youth and families facing the most challenges access opportunities for success. Within these programs are vital supports that close equity gaps and help level the playing field for all children and youth.

Since the debate over fixing Michigan roads became our state's ongoing preoccupation, the tax credit that supports nearly 800,000 low-income wage earners (individuals making less than \$30,000 a year) has become a ready target among those voices favoring budget cuts over raising new road revenues to fix Michigan's notoriously bad roads and bridges. Eliminating the tax credit would result in an annual savings of \$117 million, yet that's a relatively small step toward the \$1.2 billion Gov. Snyder has said we need each year to get our roads and bridges back in shape.

Following the defeat last fall of Proposal 1 that called for new revenues while maintaining the Michigan EITC, both chambers of the Michigan Legislature last month set out to create respective road fix plans. Their approaches differ dramatically, particularly over how much new revenue can be raised to fix the problem versus cutting existing programs to get there. For their part, the House would create deeper cuts to existing programs than the Senate version, resulting in greater potential impact on programs affecting children and families. When debate toward a final outcome resumes, it will certainly revolve around the new-revenue-versus-budget-cut scenario, requiring advocates to remain involved.

So here's the big take-away from this reoccurring conflict over how to pay for Michigan roads: To successfully advocate for the well-being of Michigan's children and families, we must adopt a consistent, year-round budget advocacy strategy that keeps the focus fixed on prioritizing funding for children, youth and families that are struggling the most. Michigan's Children has always promoted our issues with lawmakers throughout the year. And we want you to join in. Why? Because budget battles aren't over when appropriation bills are signed into law, which for FY 2016 (starting Oct. 1, 2015) took place last month. At any time, votes can be secured to reopen the state's spending plan when a movement and new demands arise. The bottom line is that the appropriations process is short and public participation in those discussions in Lansing



are limited. In order to have our policymakers reflect our community's priorities during that process, we need to make sure that they know what those priorities are throughout the year.

Many state services are covered by the general fund, which amounts to about \$10 billion a year. It includes: support for children and teens in foster care, the Healthy Kids Dental Program (which as yet still doesn't cover all children receiving Medicaid insurance coverage in Michigan), mental health and wellness services, college and career readiness along with community college and universities, maternal and children health programs, programs that help prevent child abuse and neglect, even a small program that helps keep kids out of gangs. The list goes on and on. Even for those programs that are supported primarily by the federal government, the general fund is where Michigan gets our matching dollars – the funding we need to make sure that we are drawing down the federal resources that we can maximize.

We believe legislators would do well by looking at raising road revenues – which voters said they support in public opinion polling following the defeat of Prop 1 in November -- rather than threatening to fund road and bridge projects from existing dollars serving our state's children, youth and families. Solving one problem by creating others is the worst possible approach. Our overarching concern must be to protect critical investments for essential supports for kids and families. Let's start today.

Even if you've never reached out to your state lawmakers before, contact them today and tell them what you think Michigan should be investing in based on your own experience, and the experience of your friends, family, neighbors and co-workers. What are you concerned about in your community? What is going on that is exciting to you that needs more and better support?

You can also reinforce some of the things that Michigan's Children is telling them:

We support the state's investment in the Earned Income Tax Credit because it helps children and families. Cutting this credit hurts people who can least afford any sort of cut in income. (Public polling demonstrates the vast majority of Michigan residents don't favor fixing roads on the backs of working families earning low wages.)

We support raising new revenues to help rebuild our troubled roads and bridges.

And above all, we support keeping programs intact that improve the lives and outcomes of Michigan children, youth and families.

Lawmakers are more regularly found in their home districts in these summer weeks. Seek them out. Talk to them at county and local fairs, attend their coffee hours to share your concerns. Use these opportunities to get to know them. When you build a relationship, they will utilize



you throughout the year as a resource for budget conversations and other issues they are debating in Lansing. They care what you think. Your voice, your vote matters.

For more information about prioritizing the state and federal budget around children and families issues, visit our <u>Budget Basics library</u>.