

## Budget Pressures For Children Loom

A report issued last week by the [Citizens Research Council of Michigan](#) outlines the challenges looming for the state of Michigan's budget for the next several years. Business tax credits that are coming due will combine with commitments made by previous legislatures to fund road construction and provide personal property tax relief to blow a huge hole in the state's General Fund revenue. The Citizens Research Council estimates the hole, as much as \$2 billion in the next couple of years, could potentially balloon to \$5 billion by 2022. General Fund revenues support everything from our subsidized child care system to the Michigan Youth Opportunity Initiative (MYOI), a program that helps young adults as they transition out of the foster care system, as well as most other programs that help children and families in Michigan. Michigan legislators and the Governor will be forced to make extremely difficult decisions to either raise additional General Fund revenue or slash funding for critical programs that support children and families.

In Washington, D.C., Congress is set to resume work on the federal budget when they return from their August recess. The current federal spending agreement is set to expire on October 1<sup>st</sup>, along with a number of vital programs including the Children's Health Insurance Program (CHIP) and the Maternal Infant Early Childhood Home Visiting Program (MIECHV). These will need to be re-authorized and a new spending plan agreed to by October 1<sup>st</sup> in order to avoid a government shutdown and interruption in services to recipients, leaving Congress little time to get things done. As we've noted before in previous Capitol Corners, Michigan's overall state budget, especially for programs that support children and families facing challenges, relies incredibly on the maintenance of stable federal funding. Any cuts in the federal budget to programs like Medicaid and the Supplemental Nutrition Assistance Program (SNAP) and/or interruption or elimination of programs like MIECHV or CHIP would have a devastating impact on vulnerable children and families in Michigan.

As lawmakers at both the state and federal level are home in their districts for the month of August, it is imperative that they hear from child advocates about our priorities. State legislators should be asked to commit to exploring and supporting new General Fund revenue options in order to deal with the pending budget shortfall. Our Congressional delegation should be urged to commit to holding children harmless as they resolve the federal budget discussions and to re-authorize and expand programs like MIECHV that provide support to children and families in Michigan. Now is the time to make your voice heard.

***Matt Gillard is the President and CEO of Michigan's Children, the only statewide independent voice working to ensure that public policies are made in the best interest of children from cradle to career, their families and their communities.***