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Date: March 14, 2019

To: Michigan Senate Community HHS Appropriations Subcommittee

From: Matt Gillard, President & CEO
matt@michiganschildren.org or (517) 485-3500

Re: Foster Care and Abuse and Neglect in the State Budget

Thank you for the opportunity to provide testimony on the Health and Human Services budget. Michigan’s Children is the only statewide and independent voice working to ensure that public policies are made in the best interest of children and youth, from cradle to career, and their families, with a focus on solutions that improve equitable outcomes for children. As you are well aware, the decisions you make related to the MDHSS budget impact the safety, security and success for many struggling children, youth and families – those involved in the child welfare and foster care systems – and through community-based strategies that prevent cases of abuse and neglect. According to Prevent Child Abuse America (2012), the total yearly cost of each abused or neglected child in the United States is \$63,871 in increased public expenditures, lost productivity, and lost tax dollars. Extrapolating that number to our state’s 2016 population of abuse and neglect cases – 39,552, according to the most recent Kids Count Data Book – child abuse and neglect cost Michigan taxpayers \$2.5 billion in 2016. Poor foster care experiences amplify and expand these costs. The state has a unique responsibility for children and families in foster care, and upholding that responsibility will result in better a economic situation. I would like to highlight some potential decisions that this committee could make to significantly impact these issues:

- **Community-Based Child Abuse and Neglect – preserve FY19 increase and raise funding by \$2.6 million**

Local child abuse and neglect prevention programs, funded through the Children’s Trust Fund (CTF), coordinate community support, assess needs and build partnerships to provide evidenced practices like home visiting, parenting classes, counseling, child care, referrals, transportation and prenatal care for families, all of which are proven to prevent situations that lead to abuse and neglect. Current funds enable grantees to serve the equivalent of half of the eligible population, although revenue streams from license plate fees and income tax check-offs have dropped precipitously since 2000.

- **Court-Appointed Special Advocates (CASAs) – provide \$1.55 million to pilot expansion of CASAs into three counties for foster youth of all ages**

CASAs are citizen volunteers trained to advocate on behalf of abused and neglected children in family courts, helping judges and other parties make sound decisions regarding a child’s future.

- **Relative Foster Care (Kinship Care) – preserve FY19 funding for maintenance payments to informal kinship care providers and increase funds for a kinship navigator program**

Research shows that young people experience shorter placements and more positive outcomes when they are placed with an appropriate relative instead of an unknown foster parent. A recent federal circuit court order mandated that Michigan provide relative foster caregivers with financial support. Kinship navigator programs support relative foster caregivers, including grandparents, to navigate unfamiliar systems.

- **Michigan Youth Opportunities Initiative (MYOI) – increase funding by \$2 million**

Peer mentorship combined with concrete resources are proven to help youth in foster care, who may take longer to get through high school and often have fewer home supports in their transition, get on a path towards life success. MYOI provides these supports for teens and young adults in foster care. While the current MYOI appropriation is sufficient to staff all counties around the state, the resource falls short of fully funding coordinated services including asset-building plans and connections to adult mentors.

- **Runaway and Homeless Youth Services – preserve FY19 funding and increase by \$1 million**

Youth who have experienced foster care also experience higher rates of homelessness than their peers. Michigan's runaway and homeless youth service providers received an additional \$500,000, their first state GF funding increase in 20 years, in the current (FY19) fiscal year budget.

- **Fostering Futures Scholarship – double funding to \$1.5 million and replace TANF funds**

Fostering Futures Scholarship, which provides college tuition, room, and board, and supplies to youth who spent time in foster care. Its funding source, TANF, lends restrictions to the use of these scholarships by these youth, who often have complicated needs and associated costs when transitioning to college.

Here is how our recommendations were or were not reflected in the Governor's budget recommendation:

- Unclear whether Governor maintains full FY19 funding increase for CTF
- No funding for CASA programs
- Unclear whether the proposal includes relative foster care payments. The proposal does include one-time payments for relative caregivers to become licensed foster parents.
- Flat funding for MYOI
- Unclear if the proposal continues FY19 runaway and homeless youth services funding
- Flat funding for the Fostering Futures Scholarship

In the scope of the entire state budget, these are small costs relative to the benefit of better preparing thousands of young people for productive, positive lives. We appreciate your efforts and continued service to make Michigan a place where people want to raise their kids. Please do not hesitate to contact us with any questions. We look forward to continuing to work with you to improve the success of our children, youth, families, and our state, especially those who are either experiencing foster care or at risk of entering the foster care system.