



### Supporting Parents in the Michigan State Budget – June Update

Common sense and strong research demonstrate that the well-being of parents matters to their children's well-being, education and life success, and to the strength and stability of families. Too many families face barriers to opportunities, including poor mental health, violence, and economic instability, making it more difficult for their children to graduate from school, enter the workforce, and support families of their own.

#### Child Abuse and Neglect Prevention Programs

Child abuse or neglect is costly to both kids and society. Local child abuse and neglect programs funded by the Children's Trust Fund (CTF) support parents by coordinating community stakeholders to increase access to evidenced supports like home visiting, parenting classes, counseling, child care, transportation and prenatal care for families. However, funding from license plate fees and income tax donations for the CTF has fallen precipitously over time.

#### Healthy Michigan Work Requirements

Last summer, the Michigan Legislature enacted an 80-hour-per-month work requirement for individuals on the Healthy Michigan Plan, Michigan's Medicaid expansion program. Young adults and parents (and, by extension, their children), who are subject to these work requirements are at risk should lose access to health care services, and nobody deserves to lose health care coverage due to preventable barriers or administrative gaps caused by a lack of investment.

#### Problem Solving Courts

Michigan's problem-solving courts provide mental health and substance abuse services for parents and early intervention services for infants and children, leading to a reduction in incarceration, fewer children removed from their families, and more rapid treatment and rehabilitation for adults experiencing mental health issues.

#### Earned Income Tax Credit

An Earned Income Tax Credit (EITC) is an effective poverty-fighting tool for struggling parents. Michigan's EITC is currently worth just 6% of the federal EITC, about \$145 on average to families, but this is a cut from its former level of 20% of the federal EITC in 2011. Many young working parents also cannot access the EITC because the minimum age for qualifying for this tax credit is 25.

**CURRENT SITUATION: The Governor, House, and Senate have finalized their budget recommendations in these areas. Both chambers will go to a Conference Committee to iron out differences. It is unclear how long into the summer negotiations between the Legislature and the Governor will last. Informing elected officials about how best to prioritize spending our tax dollars must be a year-round endeavor.**

## Recommendations:

1. **Urge members of the House and Senate to restore last year's funding increase to maintain the existing programs at the CTF, and increase state funding for community-based child abuse and neglect prevention through the CTF to \$3 million to expand the capacity of prevention councils and services across the state.** Last year's state General Fund increase allowed the CTF to maintain its essential programs, but so far neither the House nor the Senate included last year's GF/GP increase for the CTF in their proposed budgets.
2. **Support the Senate's recommendation to fully fund both implementation of the Healthy Michigan Plan and supports** for individuals enrolled in the Healthy Michigan Plan who need employment training or related services.
3. The Governor, Senate, and House have all recommended flat funding for mental health courts in their budget proposals. **It is unlikely that Michigan's Children's recommendation to increase funding for problem-solving courts will be a point of discussion in this year's budget, but is still possible.**
4. The Governor included raising the EITC value but did not expand the minimum eligible age for young adults, but the most recent budget bills in the Senate and House do not consider either of these proposals. **It is unlikely that Michigan's Children's recommendation to increase the value of the Michigan EITC and lower the minimum age to 16 to support young adults and parents in the foster care system will be a point of discussion in this year's budget, but is still possible.**