

Date: March 8, 2022
To: Michigan Governor Gretchen Whitmer
Re: Opposing Misguided General Tax Cuts

Dear Governor Whitmer:

In the last few years many families and young people have faced increasing challenges in their lives that have exceeded their ability to solve on their own. Unfortunately, the State of Michigan has historically underinvested in priorities that would help children, youth, and families with opportunities to thrive regardless of their circumstances.

We understand that the presence of significant one-time revenues has encouraged some momentum for dramatically cutting our state's tax revenues by billions of dollars each year. But the fact is that our state is still failing to meet the need for public investment into critical opportunities for young people and families, priorities that [overwhelming majorities of Michigan voters](#) across the political spectrum support.

The result has been failing outcomes in some fundamental areas:

Mental Health

Michigan has failed to maintain a system of mental health services for families and their kids. Mental Health studies of Michigan suggest that 40% of Michigan children who need services for depression, anxiety, and ADHD, the most common mental and behavioral health conditions, receive none. Our public mental health system alone cannot find professionals to fill approximately 20% of direct service positions.

Education and Out-of-School Learning

Michigan has failed to ensure that students experiencing extreme challenges have a fair opportunity to earn a high school diploma, with four-year high school graduation rates in 2021 of just 39% of youth exiting foster care and just 54% of students experiencing homelessness. For students experiencing a disability, the four-year graduation rate of 57% in 2021 is just a 3% improvement since 2011. Students of color and students from economically disadvantaged families are especially represented in these failures.

Michigan has also failed to secure an opportunity for thousands of families statewide to access afterschool and summer learning opportunities. 40% of Michigan parents in a pre-pandemic survey found that there were no open afterschool program slots in their community. There are 376 school-aged children in Michigan for every afterschool program.

Child Care and Workforce Readiness

Michigan's failure to invest state resources into improving child care access has left families increasingly squeezed to find any child care provider at all in their community, let alone one they can afford. Michigan has lost almost one quarter of its child care workforce since 2005. And just prior to the pandemic, 44% of Michigan families lived in a community where there were more than three times as many children as licensed child care slots. This failure costs our economy over \$1 billion annually. The recent windfall of federal funds have helped in the short-term, but may run out in the next couple of years.

Michigan has also failed to prepare thousands of working-age adults to take advantage of workforce development programs that could connect them with high-earning career options. Over 40,000 Michiganders aged 18-34 have less than a ninth-grade education.

Further undercutting our state's ability to meet the needs of our citizens would wind up costing working families and all taxpayers more in the long run:

- Young people would risk falling into the criminal justice system because they cannot find support at critical times, at high cost to themselves and to society.
- Parents and caregivers would lose jobs or pay increasingly higher out-of-pocket costs for essential services like child care or mental health.
- Young people would not get the help they need to acquire life-changing diplomas and credentials, holding back our whole economy.

Recent tax-cut proposals in Lansing will disproportionately benefit the highest-earning households in our state. A taxpayer earning \$200,000 or more is projected to receive almost four times as much in tax reductions as someone earning our state's median income of \$57,144. Someone earning \$1 million would receive 15 times more than what the median worker would receive.

We believe these changes do not reflect the values that should guide our state budget, which is to wield public investment to support families and young people in the areas where private investment alone has been proven to fail.

The current state budget surplus presents an opportunity to invest in these long-suffering needs that affect young people and families in every community across our state. We should not pass a general tax cut whose impact will run far longer than the current revenue surplus. We urge you to vigorously oppose any tax cuts and to prioritize tax policies that benefit families who shoulder the greatest challenges rather than the state's wealthiest earners.

Signed,

Autism Alliance of MI

Catholic Charities Diocese of Kalamazoo

Child Care Network

Comprehensive Youth Services, Inc.

Council for A Strong America

Detroit Parent Network

Do'chas II Services for Youth

Fight Crime: Invest in Kids Michigan

Fostering Forward Michigan

Fostering Success Michigan

Jennifer Schwartz PLLC

Kalamazoo County Ready 4s

Licensed to Care

Livingston Family Center, Inc.

Maddy Day LLC & Associates

Mecosta Osceola Youth Attention Center, Inc.

Michigan Chapter American Academy of Pediatrics

Michigan AEYC

Michigan Association for Infant Mental Health

Michigan Association of School Social Workers

Michigan League for Public Policy

Michigan Network for Youth & Families

Michigan United Cerebral Palsy (MI-UCP)

Michigan's Children

Mission Readiness Michigan

Mothering Justice

National Association of Social Workers-Michigan Chapter

Northstar EAP

Packard Health

Pulse at the WE Upjohn Institute

Ready For School

ReadyNation Michigan

Ruth Ellis Center

Share The Warmth of Lenawee

Staircase Youth Services, Inc

Student Advocacy Center of Michigan

The Arc of Michigan

YWCA Kalamazoo