



May, 2023

Supporting Stable Housing for Youth in the Michigan State Budget:

Michigan's Children supports funds for Runaway and Homeless Youth

Michigan's newly-elected leadership are currently considering Governor Whitmer's recommendations and determining their own priorities for spending billions of one-time federal and state revenues for both current-year spending and for the 2023-2024 Fiscal Year which begins on October 1, 2023. Their choices could change the odds for children, youth, and families who continue to face hardships from years of public health and economic instability.

Youth homelessness counts have risen as pandemic protections have expired, jeopardizing young people's future health, educational, and life outcomes. However, services that intervene and prevent youth homelessness have received next to zero increases in state funding over the last two decades, leading to program closures and large parts of the state unserved and underserved.

To better serve homeless youth and ultimately prevent extended periods of homelessness, Michigan's Children recommends:

- **Support the Senate's recommendation for a \$10 million increase in the MDHHS budget for homeless youth and runaway (HYR) programs to:**
 - Expand capacity to currently uncovered counties and grow services in underserved regions (\$6 million).
 - Strengthen staff capacity at current sites (\$2 million).
 - Improve infrastructure and technology at program sites to provide more welcoming spaces for youth (\$2 million).

Right Now: Governor Gretchen Whitmer has recommended no funding increase for Homeless Youth and Runaway Services. The Senate Appropriations Committee has passed a DHHS budget including a \$10 million funding increase, however the House Appropriations Committee has passed a DHHS budget that includes no increase.

The House and Senate have passed budget drafts out of their respective Appropriations Committees, with the next step being a vote from the full chamber of each branch of government. After updated revenue estimates release in mid-May, legislative leadership will go negotiate their differences through a "conference committee", then present a budget for the Governor's approval.

Why Invest in Stable Housing for Youth and Families?

Michigan's recovery depends on getting young people ready for post-secondary education, work, and life. But for youth who have experienced homelessness, the transition to adulthood can be extremely difficult to successfully navigate. [Some studies suggest](#) that 20,000 youth in grades eight are homeless in Michigan, with a four-year high school graduation rate of 56 percent in 2022. Youth with unique vulnerabilities,

including abuse, parental incarceration, mental health issues, substance use, foster care involvement, trafficking experience, and poverty, are at greater risk of homelessness than their peers. Fewer than 60 percent of young adults who experienced foster care report having stable housing.

Michigan's [Homeless Youth and Runaway service agencies](#) provide effective crisis and transition services that can prevent homelessness for youth ages 12-21, overwhelmingly helping young people exit their interventions to a safe housing situation and preventing future homelessness (88%). However, recent years and the pandemic crisis have overtaxed this system as the severity of youths' needs have grown. These pressures, coupled with a largely flat budget for 20 years, have triggered widespread staff turnover and several program closures, leaving multiple Michigan counties with gaps in services. Recent modest funding increases have been insufficient to stabilize losses, let alone improve services for youth.