

2021 STATE BUDGET PRIORITIES: OVERVIEW OF POLICY RECOMMENDATIONS

Staying true to its vision that Michigan residents of all races, places and income levels should have the opportunity to thrive and find economic security, the League has identified the following budget priorities for 2021. As a lens for its work on the 2021 budget, the League recommends two overarching priorities:

Focus on Racial and Ethnic Equity: When making state budget decisions, lawmakers should incorporate and make publicly available an analysis of the impact of budget options on children and families of color. Based on that analysis, policymakers should provide a higher level of targeted funding to families and communities that have been historically excluded from traditional pathways and equal outcomes of good health and economic opportunity.

Stop the Erosion of State Tax Revenues: Michigan lawmakers must ensure adequate revenues to fund vital state services, prioritizing fairness and equity for working families. Policymakers should oppose tax cuts, especially those that disproportionately benefit wealthy taxpayers and corporations.

1. Meet the basic needs of Michigan children, older adults, people with disabilities and returning citizens.

Earned Income Tax Credit (EITC): Restore the EITC to 20% of the federal credit to fortify working families and to inject money into local economies. Modernize the EITC by joining other states that have expanded the credit to more childless workers by eliminating the state age requirement.

Income Assistance: Improve access to opportunity for families by: (1) supporting returning citizens and their families by eliminating the drug felony ban for persons with more than one drug felony conviction occurring in separate incidents, allowing them to receive cash assistance through the Family Independence Program (FIP), and federally-funded food assistance—two public programs that reduce recidivism; and (2) make use of the federal hardship exemption to FIP lifetime limits as a tool for reducing deep poverty for children living in communities with few job opportunities.

Food Assistance: Reverse the statute and related state policy requiring documentation of child support compliance as a condition of eligibility for federally funded food assistance. Michigan is one of only eight states requiring compliance with child support collection—a policy that can discourage single parents from applying for assistance, including those who fear domestic violence or have informal support relationships with the other parent.

Healthy Food Deserts: Restore \$2 million in funding—vetoed in the 2020 budget—to expand the 10 Cents a Meal program statewide, and improve access to healthy food for young children and students around the state.

2. Make sure all Michiganders have access to needed healthcare.

Medicaid and the Children's Health Insurance Program: Protect state and federal funding for Medicaid, Healthy Kids, MOMS and MICHild.

Medicaid Expansion: Reverse the state's decision to require work as a condition of receiving health coverage through the Healthy Michigan Plan. Work reporting requirements jeopardize health coverage and cost the state millions, and do little to increase workforce participation.

Maternal, Adolescent and Child Health: Support programs that help Michigan moms and babies thrive, including expanded funding for home visiting and the creation of a centralized intake system for Michigan's home visiting

programs. Restore funding for state family planning and pregnancy prevention services, including supports to expand adolescent access to comprehensive sexual health education .

3. Help working parents find affordable, high-quality child care and early education services.

High-Quality Child Care for Parents with Low Wages: Improve access to child care services by: (1) increasing child care payments to providers to ensure that parents can afford 75% of the child care in their community—the federal guideline for affordability; (2) increasing the income eligibility cutoff for child care to 185% of the federal poverty line; (3) establishing grants and contracts with providers to increase high-quality care in areas of shortage such as infant and toddler care, care for parents working evenings and weekends and care for children with special needs; and (4) reversing the state policy of requiring child support compliance documentation as a condition of eligibility for child care assistance.

High-Quality Preschool for 3- and 4-Year-Olds: Provide sufficient funding to ensure that all eligible 4-year-olds can receive a high-quality preschool education through the Great Start Readiness Program (GSRP).

4. Strengthen public education in Michigan from cradle to career.

Early Education: Improve early learning by providing additional state funding for Early On, the state’s early intervention program that identifies and serves very young children with developmental delays and their families.

Third-Grade Reading: Improve third-grade reading by: (1) focusing new resources on districts with the greatest disparities for children of color and those in low-income neighborhoods; and (2) continuing to expand the number of well-trained literacy coaches in Michigan’s public elementary schools.

Students in High-Poverty Schools: Provide the resources needed to address the educational challenges faced by children exposed to the stresses of poverty by: (1) fully funding the At-Risk School Aid program; and (2) adopting a School Aid formula that is weighted by the number of students in poverty and the number of English language learners.

Adult Education and Access to Postsecondary Programs: Improve educational outcomes by: (1) increasing adult education funding by \$10 million, to \$36 million, allowing the state to assist nearly 8,000 more students; and (2) implementing and strengthening financial aid grants for older, non-traditional students, such as the governor’s proposed Michigan Reconnect program.

5. Protect Michigan families from environmental health threats.

Funding for Lead Poisoning Investigations: Identify a dedicated revenue stream to ensure local health departments throughout the state have the capacity to investigate cases of elevated blood lead levels in children, identify the source and prevent future poisonings in the same home.

Prevent PFAS Exposure: Provide point-of-use water filters for households in communities affected by the presence of per- and polyfluoroalkyl substances.