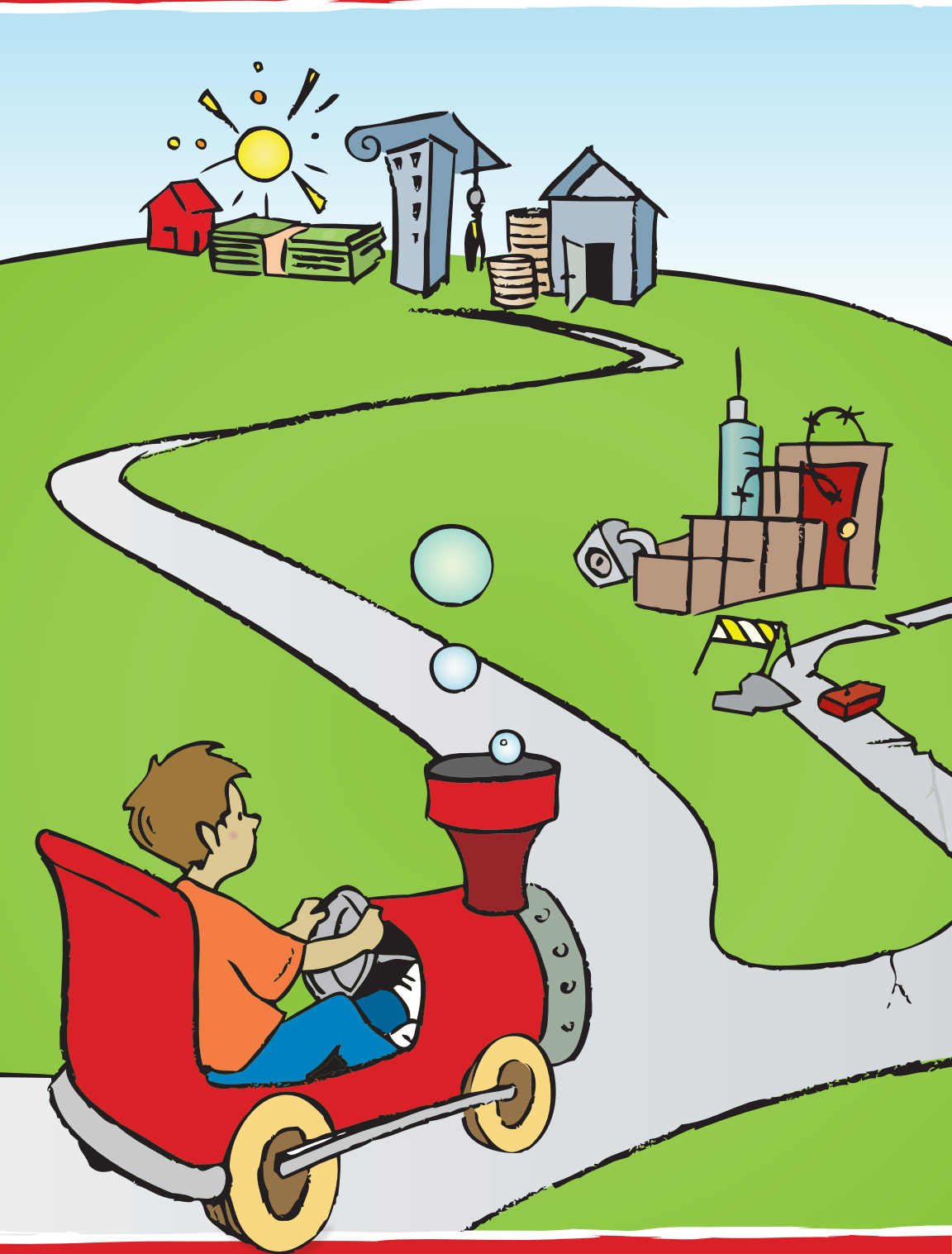




Michigan Coalition for
Children and Families

Children's Agenda 2007



**THE LITTLE ENGINE THAT COULD:
A Can-Do Attitude to Invest in Children**

An Open Letter...

TO MICHIGAN'S ELECTED OFFICIALS, STRATEGIC PARTNERS IN THE CORPORATE AND NON-PROFIT SECTORS, AND TAXPAYERS OF MICHIGAN:

In 2006, the Michigan Coalition for Children and Families (MCCF) presented its annual **Children's Agenda** with the theme: “**Workforce Preparedness Begins at Birth.**” During the 2006 election, candidates at all levels spoke of the need to invest in jobs in Michigan. We heard the message of jobs today, jobs tomorrow.

Preparing Michigan's future employees to compete in the global economy is a vision we all share. Those same future employees are also tomorrow's future leaders, taxpayers, citizens and parents. *Investments in children will be the engine driving Michigan's future.*

Sometimes it does take a rocket scientist, or rather a Nobel Laureate to get the message across. According to James Heckman, University of Chicago Economist at a recent speech to the Detroit Economic Club convened by the Michigan Early Childhood Investment Corporation, “the role of the family is crucial to the formation of learning skills, and government investments at an early age have proven to be highly effective.”

Poverty in Michigan, particularly among children, has increased over the past five years. A recent report from the Center for American Progress entitled “The Economic Costs of Poverty in the United States” cited four prominent scholars who estimate that childhood poverty costs our nation \$500 billion a year because of the adverse affects on health status, social conditions, and economic growth.

INVESTMENTS IN EARLY CHILDHOOD DEVELOPMENT AND CARE, CHILD HEALTH, PARENTING SUPPORT, AND FAMILY ECONOMIC SUPPORT HAVE LASTING ECONOMIC BENEFITS FOR FAMILIES AND SOCIETY INCLUDING:

- Public education expenses will be lower because children will be better prepared to be successful students and less likely to be retained a grade, and require less special education.
- Criminal justice costs will come down because children will have markedly lower crime and delinquency rates.
- Children participating in early childhood development programs and their parents have higher incomes and pay more taxes than non-participants.
- Public welfare expenditures will be reduced because families will be better prepared to participate in the workforce.

Sources: Barnett, 1993; Karoly, et al., 1998; Masse and Barnett, 2002; and Reynolds et al., 2002.

Public investment is critical to empower families to raise children who are well prepared for school, work, and life. Government should not raise children, but it does have a role in helping parents move out of poverty and have the knowledge and skills they need to raise their children. Despite all we know about the cost-benefits of investing in children one great barrier stands in the way of progress: *Michigan's structural deficit!*

There are adequate and stable ways to address Michigan's revenue sources without jeopardizing future business and economic investments!

The Little Engine that Could...

Since FY2001 the State of Michigan has identified and addressed approximately \$9 billion in cumulative deficits by instituting approximately \$4 billion in program reductions and by exhausting approximately \$5 billion in fiscal reserves such as the Budget Stabilization/Rainy Day Fund. The recent decline in revenues acknowledged by the January Revenue Consensus Conference, including significant shortfalls in sales tax revenues supporting K-12 education, together with projected expenditure increases, suggest a current year deficit ranging from \$800 to \$900 million. For FY2008, in addition to the approximate \$1.9 billion in General Fund revenue that would be lost if the repealed Single Business Tax is not replaced, it is estimated that revenue and expenditure trends would result in a deficit of approximately \$1 billion. A longer-range forecast suggests that the state will face an annual structural deficit of approximately \$500 million over the next decade.

Michigan cannot cut its way out of a structural deficit without continuing to erode the health, education, and human service investments that provide children and youth with the foundation to come to school ready to learn and leave school ready to succeed. The children of Michigan need bi-partisan leadership and the courage of many across sectors and disciplines to develop solutions for addressing the structural deficit and investing in prevention. This newly elected legislature provides the opportunity for bold ideas and leadership.

Michigan leaders must consider additional sources of revenue to invest in outcomes for children. We must revise our tax structure to adapt to the changing global economy and Michigan's future economy. The tax burden should not be shifted away from business on to families.

MCCF CALLS UPON LEADERS IN MICHIGAN TO:

- Revise the state's tax structure to adapt to the service economy to generate adequate general fund revenue
- Replace the entire Single Business Tax
- Hold the line on cuts to children's services

WAYS THIS CAN BE ACCOMPLISHED INCLUDE:

- Retain Michigan's share of the federal estate tax and apply it to estates over \$1 million—producing \$94–\$130 million annually
- Permit recovery from estates of Medicaid recipients after a spouse is deceased—producing \$10 million annually (Michigan is the only state that does not do this.)
- Increase the tax on beer and wine and direct it to substance abuse prevention and services. Adding 1 cent to the price of a can of beer would produce an additional \$21 million annually
- Reform of Michigan's Parole policies could save \$145 million and be reallocated for prevention
- Examine outdated tax expenditures
- Expand the sales tax base to certain services

THESE INVESTMENTS MUST:

- Coordinate services through Community Collaboratives, such as 2-1-1 an easy to remember phone number, to easily and efficiently allow access to health and human services information
- Seek efficiencies in state government to maximize resources and reduce duplication of effort
- Use state funds to leverage other federal, local, and private dollars
- Make a difference in children's lives and move families out of poverty
- Have measurable outcomes



Workforce Preparedness Does Begin at Birth!

Investment in children is the engine driving Michigan's economic development, workforce preparedness, and family self-sufficiency.

INVESTMENT IN EARLY YEARS

- Access to preconceptional care and early prenatal care for all pregnant women
- Assure quality early childhood education and care for children age 0–5 years
- Expand services to prevent expulsion from child care
- Increase the child care subsidy rate to current market rates (now at 1996 rate)
- Increase the number of child care licensing consultants to oversee quality and safety standards
- Require training for child care providers
- Increase the per slot allotment for the Michigan School Readiness Program
- Expand infant mental health and other home visiting services for expectant parents and families with infants and toddlers
- Expand funding for Parenting Education
- Oversight of special education Child Find procedures and assessment for infants, toddlers and preschoolers, especially infants and toddlers in foster care

INVESTMENT IN HEALTH AND MENTAL HEALTH SERVICES

- Require coverage of health and mental health services by public and private health insurance for children through age 18 and pregnant women
- Access to preventive oral health care for children up to age 18
- Access to community and school-based primary preventive health care and case management
- Access to comprehensive family planning counseling for adults, and age appropriate education and services for youth
- Special health care services and respite care for children with special needs
- Access to comprehensive prevention and early intervention services for children and youth with mental health needs
- Support smoke free environments and programs to keep kids from starting to smoke and help adults, especially pregnant women, to stop smoking

INVESTMENT IN CHILDREN'S ENVIRONMENTAL HEALTH

- Prevention of lead poisoning in homes, schools, and child care settings
- Access for all children to clean water, clean air, healthy food to support healthy development
- Implementation of the Green Chemistry Executive Directive 2006-06 to protect children's environmental health and promote economic development
- Protection of fetal, infant, and childhood development, particularly among low-income children and children of color, from toxic environmental exposures including neurotoxins such as mercury, lead, and certain pesticides

INVESTMENT IN FAMILY PRESERVATION SERVICES

- Reduction in the number of children under the care of the state by increasing the pool of qualified adoptive parents
- Prevention of abuse and neglect by connecting families to supports beginning at birth
- Access to respite care for families with children with special needs
- Prevention of and reduction in out-of-home placement through better use of mental health services, parenting education, Families First, federally funded community-based care, and Family to Family strategies
- Statewide, coordinated post adoption support services
- Prevention and treatment of substance abuse
- Prevention of domestic violence

INVESTMENT IN SCHOOL-BASED AND SCHOOL-AGED SERVICES

- Quality universal education for all children based on a child's individual needs and the right to learn together
- A continuum of coordinated and comprehensive school health services and curriculum
- Access to before and after school and other youth development activities in quality, supervised settings through state and local support of statewide competitive grants for after-school programs and the Michigan After-School Partnership
- Access to alternative education for youth under age 16 suspended or expelled from traditional school settings

INVESTMENT IN ADOLESCENTS PREPARING FOR ADULTHOOD

- Quality placements, transitions and supports for vulnerable populations including abused children, teen parents, youth aging out of foster care, runaway and homeless youth, and youth leaving the juvenile justice system
- Require State standards, training, and monitoring of quality of service by appointed counsel to youth in family court proceedings
- Enact standards for assessing the competency and culpability of youth to participate in juvenile and adult criminal proceedings
- Access to alcohol, tobacco, and other drug prevention programs and treatment services.
- Protection from and prevention of teen dating violence
- Permit youth sentenced as an adult to a life sentence to be considered for parole after a certain time served

INVESTMENT IN FAMILY SUPPORT AND ECONOMIC DEVELOPMENT

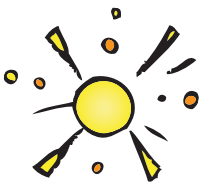
- Expanded opportunities to asset development, such as Individual Development Accounts (IDA), and financial literacy training
- Eligibility for the cash assistance program and Medicaid at income below 100 percent of poverty
- Increase the percentage of child support payments that go to and are retained by the child
- Access to job training and education for career advancement and "good" jobs for low-income parents
- Increased supply of decent, affordable energy-efficient housing for low-income families
- Acceleration and expansion of the state Earned Income Tax Credit
- Increased access to health care for parents in low-income families

MCCF also calls upon the Governor to establish an interdepartmental work group to focus specifically on reviewing additional ways to draw down more child welfare and Medicaid funds for children's services by using state, local and private funds more creatively. MCCF recommends that the Michigan Legislature continue the bi-partisan Legislative Children's Caucus, including the chairs of appropriation committees, and provide sufficient funds for or seek private funds to allow it to be staffed.

Members of the Michigan Coalition for Children and Families, representing over 70 diverse organizations, call upon our elected officials and business leaders to support investments in children from birth to fire-up the engine—Michigan's children—that will lead Michigan to compete in the new global economy!

Signed,

—The Members of MCCF



MCGF 2007 Membership



Organizational Members

Afterschool Roundtable
Arab American and Chaldean Council (ACC)
Association for Children's Mental Health
Camp Fire USA–West Michigan Council
Capital Area Community Services
Catholic Social Services of Grand Rapids
Child Care Resources Kalamazoo Regional 4C
Child & Family Services, Capital Area
Center for Civil Justice
Child and Family Services of Northeast MI
4C of Detroit/Wayne Co., Inc.
Child Care Resources–Kalamazoo
Children's Charter of the Courts of Michigan
Children's Trust Fund
Citizen's Alliance to Uphold Special Education (CAUSE)
Coalition for Adoption Rights Equality
Comp. School Health Coordinators Association
Covenant House Michigan
Eagle Village
Early Success–Right from the Start
Farmington Hills Youth & Family Services
Citizens Alliance on Prisons and Public Spending
The Family Center of Grosse Pointe & Harper Woods
Fight Crime: Invest in Kids–Michigan
High/Scope Educational Research Foundation
Holy Cross Children's Services
Kent Regional 4C
Learning Disabilities Association of Michigan
Lutheran Social Services of Michigan
Mayor's Time
Michigan 4C Association
Michigan Association of Community/Adult Education
Michigan Association of CMH Boards
MI Association for the Education of Young Children
Michigan Association for Infant Mental Health
MDS Comm. Action Agency (Head Start)
Michigan Association of School Administrators
Michigan Association of Intermediate School Administrators
Michigan Association of School Boards
Michigan Association of School Nurses
Michigan Association of United Ways
Michigan Coalition Against Domestic & Sexual Violence
Michigan Council for Maternal and Child Health
Michigan Council on Crime and Delinquency
Michigan County Social Services Association
Michigan Federation for Children and Families
Michigan Head Start Association
Michigan League for Human Services
Michigan Network for Youth & Families
Michigan Prevention Association
Michigan Parent Teacher Association
Michigan Primary Care Association
Michigan Protection and Advocacy Services
Michigan Public Health Association
Michigan's Children
Monroe ISD
National Association of Social Workers–MI
Oakland County Child Care Council
Prevention Network
Priority Health Services, Inc.
Priority Children
School-Community Health Alliance of Michigan
St. Vincent and Sarah Fisher Center
United Way for Southeastern MI
Vista Maria
Wedgwood Christian Services

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For more information, call 517.482.5807 or 1.800.330.8674
or visit www.MCGF.org

"Recent studies suggest that one critical form of education, early childhood development, is grossly underfunded. However, if properly funded and managed, investment in Early Childhood Development yields an extraordinary return, far exceeding the return on most investments, private or public."

—Arthur Rolnick, Director of Research & Robert Grunewald, Regional Economic Analyst, Federal Reserve Bank of Minneapolis