

July, 2020

What's Still Needed for Children, Youth, and Families in Michigan CARES Act Decisions

Necessary decisions to stem COVID-19, including school closure and fallout from the economic and pandemic crisis, have exposed how our children, youth, and families, especially those who shoulder significant challenges, rely on collective efforts, including public support, to meet their needs and thrive. The Governor recently signed a supplemental budget package (Public Act 123) that would allocate \$880.1 million of \$3.9 billion in state aid from Congress through the CARES Act for the current fiscal year that runs until September 30. These funds are required to be used for costs incurred due to the COVID crisis between March and the end of the calendar year. Included in the act is:

- \$200 million in reimbursements for local and county governments
- \$125 million in tuition relief for families in licensed child care. All licensed providers who are eligible for the Child Care Relief Fund will be able to apply for these rate reduction funds for June, July, and August. The goal is to reduce tuition for families by 30% in these months.
- \$2 an hour raise for hazard pay for direct care workers, a total of \$120 million
- \$115 million for small business restart grants
- \$60 million for the Departments of Labor and Economic Opportunity (LEO) and Health and Human Services (DHHS) to work with the judiciary, and local and advocacy agencies on a rental assistance program for households
- \$29.1 million to hire 500 additional short-term employees to process unemployment claims
- \$25 million for water utility assistance
- \$25 million for personal protection equipment (PPE) grants
- \$18 million to schools to support “instructional recovery programming”, benchmark assessments, and health and safety expenditures necessary for safe instruction
- \$5.1 million for a \$100 per diem increase for inpatient psychiatric hospital beds
- \$4 million for domestic violence, sexual assault, stalking and other physical safety crimes, capped at \$50,000 per org and with \$950,000 for child advocacy centers
- \$1 million for the Double Up Food Bucks program to increase the purchasing power of SNAP benefits for produce at grocery stores or farmers markets

The investment at this point does not rise to the needs of many children, youth, and families in Michigan who are shouldering especially significant burdens or many of the needs that have been increased through the crisis. In order to take full advantage of this moment to invest in recovery and rebuilding, Michigan legislators and state administrators must recognize the following essential investments in their appropriation decisions for the remaining CARES Act funding moving forward:

Essential Investments – Education

The debate over our state’s educational future between the Legislature and Governor has so far failed to target investments toward learners most at risk of having fallen further behind their peers during this crisis, and those who will face the most challenges recovering.

- Requirements for school districts to report how they will plan to serve special subgroups of students, including students in foster care, students experiencing homelessness, and students experiencing juvenile justice.

- Assurance of services for every student with an IEP or IFSP through traditional or adjusted delivery methods, nor any recognition of additional COVID impact funding needed to make up services lost over time or those realized through changes in intervention delivery for those populations.
- Investment in expanded learning opportunities to mitigate losses and support children and families. These programs are trusted sources of support for students and families, and effective in dealing with socio-emotional needs as well as closing skill gaps.
- Dedicated funding to prioritize other services that families have accessed at school to fill gaps that schools cannot currently meet, like physical and mental health, social work, school counseling and other supports for learning.
- Dedicated funding to meet current and projected need for adult education based on home-school responsibilities, employment changes, including family literacy, high school equivalency, career and technical skills expansion, staff training, and technology investment. Low skilled young adults and those supporting families have been the first to suffer economically and demand for these programs will increase.
- K-12 or post-secondary resource dedicated to programs that assist parents who are students, homeless and foster youth, and others without stable housing.

Essential Investments – Family Stability and Child Welfare

With increased family stress exacerbated by high unemployment, close proximity and a lack of service access for children and youth with disabilities, delays or mental and physical health needs, it is unlikely that the funding appropriated, both specifically for child welfare purposes, and with more flexibility to state and local governments will be enough to fully support families.

- Specific supports for formal and informal relative caregivers, foster and adoptive parents as well as struggling birth families.
- Specific supports to young people in foster care, or recently exiting care because of their extreme at risk during times of crisis. It is critical to ensure that existing measures actually make it to these often mobile young people and that capacity matches the increased access needs for mental health and substance use services, housing and food assistance and post-secondary education or workforce supports.

Missed Opportunities – Child Care

Investments made in child care so far during this crisis have been critical but unfortunately did not respond to the barriers faced by family, friend, and neighbor providers and school-age child care providers to accessing state child care support.

- No targeted support to improve access to caregivers of children with special needs who faced barriers to access before the crisis. Accessible quality care for foster and kin caregivers, parents completing high school or other training credentials, and parents involved in DHHS- or court-ordered activities is essential.
- No funding to expand access to trained early childhood mental health professionals to act as behavioral consultants for all providers during and after the crisis, due to the high stress of the current situation.

An agreement was announced between the Governor and the Legislature to use a mixture of spending cuts, close to \$1 billion in federal coronavirus relief money, and \$350 million from the state's Budget Stabilization or "Rainy Day" Fund to fully balance the books on the current fiscal year. This agreement has not been released in detail, but includes additional support for K-12 schools and public safety costs; holding harmless higher education and local governments; and cuts that include a hiring freeze for state employees. There is no plan to fund the dedicated supports we've identified, increasing inequities growing worse due to the crisis.