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Successful Youth Transitions in the Michigan State Budget: Runaway and Homeless Youth

Michigan's recovery depends on getting all children and youth ready for post-secondary education, work, and life. But for youth who have experienced homelessness, traditional adult transition pathways become extremely difficult to successfully navigate. Over 12,000 youth in grades eight and above reported being homeless in Michigan in 2019-2020, resulting in a four-year high school graduation rate of 58% in 2019. Youth with unique vulnerabilities, including sexual or physical abuse, parental incarceration, mental health issues, or substance use, and poverty, tend to experience homelessness more frequently than their peers. Fewer than 60% of young adults who have experienced foster care report having stable housing. Additionally, the majority of child sex trafficking survivors have experienced foster care.

Michigan's agencies that provide runaway and homeless youth with crisis and transition services are effective. Each year, around one-third of youth who contact these programs are in "prevention situations" on the brink of experiencing homelessness, and 95% of youth discharged from emergency shelters are reunified with their families. Because these programs coordinate with local McKinney-Vento coordinators in schools, 88% of discharged youth are actively enrolled in education.

Recent years and especially the pandemic crisis have overtaxed this system's service capacity due to increased severity of needs experienced by youth. This led to several program closures leaving multiple Michigan counties with gaps in service access. In the last two years, Michigan provided modest increases of \$500,000 and \$300,000, the first increases for runaway and homeless youth services since 2001. However, \$6 million are necessary, according to network estimates, to bring back closed programs, meet the increased needs of youth, and ensure competitive supports for staff at risk of burnout. These resources were necessary before the pandemic and will be for years to come.

Direct housing assistance is also a proven support for this population. Michigan's Eviction Diversion Program has kept families strong and stable: evictions across the state were down 40% last Fall when compared to the previous year. But funding for this program ran out in January, and families need rental assistance immediately. The federal government appropriated over \$600 million in rental assistance for Michigan, 65% of which must be spent by September 30, 2021 or be returned unspent.

Current Situation: Neither the Governor's budget recommendation nor legislative proposals include increased funding for runaway and homeless youth services. House and Senate plans propose to spend a portion of allocated federal funds for rental assistance, but the Governor's recommendation does not.

Recommendations

- **Urge House and Senate leaders to increase state funding in the MDHHS budget for runaway and homeless youth programs, by \$6 million, as a step towards rebuilding service access statewide, as well as continuing recent small increases.**
- **Urge all leaders to enact a FY21 supplemental budget immediately that appropriates the full amount of federal rental assistance funding.**