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Supporting Stable Housing for Youth in the Michigan State Budget

Michigan's Children Applauds Historic Funding Increase for Runaway and Homeless Youth Services

The Michigan Legislature and Governor Gretchen Whitmer have reached a deal for the state budget for the 2023-2024 Fiscal Year which begins on October 1, 2023. **The agreement includes a historic funding increase of \$5.3 million for Runaway and Homeless Youth (RHY) services.** This funding will ensure that more families and their youth remain together, and that fewer youth will be exposed to victimization. More youths will enter adulthood with the benefits of stable housing.

How We Got Here

To better serve homeless youth and ultimately prevent extended periods of homelessness, Michigan's Children recommended a \$10 million increase in the Michigan Department of Health and Human Services (MDHHS) budget for RHY programs to expand capacity to currently unserved counties and grow services in underserved regions, strengthen staff capacity at current sites, and improve infrastructure and technology to provide more welcoming spaces for youth.

Governor Gretchen Whitmer had recommended no funding increase for Homeless Youth and Runaway Services. The Senate had passed a DHHS budget including a \$10 million funding increase, however the House had passed a DHHS budget with no increase. The final allocation is the product of negotiations among the different branches.

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 grade 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 misuse, 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 until now, 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.