

MICHIGAN ASSOCIATION OF UNITED WAYS

2022 POLICY PRIORITIES



Michigan Association of
United Ways

Why We Advocate

The Michigan Association of United Ways represents the largest network of non-governmental service providers and service funders in Michigan, so we use our voice to call for effective public policy to better the health, education, and financial stability of every person in every community. We know that United Ways can't create lasting change alone, which is why we work with state and federal policy makers to support effective public policy that ensures Michigan families, and their communities, can thrive.

Who We Advocate For

Far too many hard-working families struggle to provide for their basic needs and lack access to the economic opportunities they need to thrive in a fast-changing world. We work to create opportunities for ALICE - Asset Limited, Income Constrained, Employed - households - Michigan residents who work and pay taxes, but struggle to make ends meet.

ALICE households exist in every corner of the state - from urban Detroit, to the suburbs of Grand Rapids, and the rural communities of Northern Michigan. Our public policy priorities call for common sense public policy that can help to address the root causes of need for our ALICE households, create greater efficiencies in health and human services delivery, and continue our mission to fight for the health, education, and financial stability of every person in every community.

ALICE in Michigan

- Before COVID-19, **38% of Michigan households struggled to afford the basic necessities** - housing, childcare, food, technology, health care, and transportation.
- From 2007 to 2019, the cost of **household essentials increased faster than the cost of other goods and services** - 3.4% annually, while the rate of inflation was 1.8%.
- A family of four needs to earn \$32.06 per hour, just to make ends meet, but **58% of jobs in Michigan pay less than \$20 per hour.**

Our 2022 Priorities



Earned Income
Tax Credit



Michigan 2-1-1



Accessible
Childcare



Postsecondary
Attainment



Affordable
Housing



Earned Income Tax Credit

>> The Earned Income Tax Credit (EITC) has been proven to be one of the most effective pro-work, pro-family, poverty fighting tools in our country. An expansion of the EITC offers an opportunity to significantly increase the economic wellbeing of Michiganders, especially ALICE families, since the EITC targets only working families and encourages them to progress in the workforce.

>> The research shows that families mostly use EITC to pay for necessities – including home repairs and to maintain vehicles to commute to work. Further, the improved financial stability the EITC brings to families has long-term benefits such as improved infant and maternal health, school success, college enrollment, and increased work earnings as children grow into adults.

>> Not only does the EITC bring working families much needed support, it boosts the economy. In fact, every dollar claimed for the EITC results in \$1.50 to \$2 in local economic activity – the bigger the credit, the more money spent locally.

>> The EITC is a way to help create a post-pandemic market economy that as it grows, benefits all Michigan families, and has little or no additional administrative costs

ACTION:

The time is now to increase in the state EITC to positively impact Michigan’s working families, businesses, and communities.



Michigan 2-1-1

>> Over 1.5 million ALICE household struggle to afford the very basics and 2-1-1 is the efficient, effective, and non-bureaucratic tool to help them meet day-to-day necessities and connect with resources in times of emergencies.

>> Michigan 2-1-1 is a free to use, confidential service that connects Michiganders with nearly 28,000 services in 7,000 local, state, and national agencies. 2-1-1 is Michigan’s

only comprehensive community resource information system. It’s innovative and synergistic approach responds to the needs of individuals and communities in crisis 24/7/365.

>> In 2021 alone, Michigan 2-1-1 responded to more than 725,000 requests for assistance. More than half of those requests were for housing, utility assistance, and health care – the basics of the ALICE survival budget.

ACTION:

Increase state support for a strong Michigan 2-1-1 system to connect Michiganders with critical resources, before basic needs turn into costly emergencies.

2-1-1 By The Numbers

- In 2021 the **top reasons** to contact 2-1-1 were:
 - Information Services related to COVID-19
 - Housing
 - Health Care
 - Utility Assistance
 - Income Support/ Assistance
- **Income Support** and **Housing** were the top two unmet needs largely due to availability of services.
- More than **47%** of individuals who contacted 2-1-1 were **over the age of 55**.



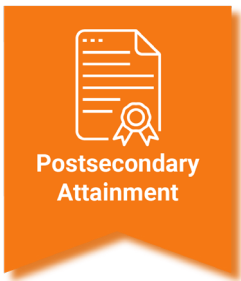
>> Every family deserves safe, quality, affordable childcare - it benefits parents and businesses in rural and urban communities alike. Expanding access to high-quality, affordable child care will help every child succeed from day one and help parents get back to work knowing that their kids are safe and cared for.

>> Well before COVID-19, ALICE families struggled even more than most to access suitable childcare. For an infant and preschooler in childcare, the cost of home-based childcare is more than \$13,000 annually, while center-based care is even higher at \$18,600 annually. The cost of either option often exceeds the annual cost of housing.

>> We applaud the historic bipartisan investment in early learning and childcare last year.

ACTION:

Continue to increase both the supply and demand for child care by simultaneously increasing childcare provider payments to expand access and increase childcare subsidies up to the ALICE threshold.



>> For ALICE families, and for all Michiganders, the foundation of a good quality of life begins with meaningful employment opportunities – which often goes hand-in-hand with education attainment.

>> In Michigan, 75% of all jobs require some postsecondary education. An education beyond high school opens the door to employment opportunities with \$7,500 more per year in earnings through a two-year degree.

ACTION:

Support innovative workforce development programs like Michigan Reconnect to address businesses' needs for talent and to ensure that ALICE has the skills, training, and opportunities they need for good-paying jobs.



>> For ALICE families especially, finding a financially sustainable home often means spending a disproportionate amount of income on housing. As a result, they are frequently forced to choose between meeting their basic needs, living in an unhealthy environment, or having long commutes to work. In the worst case, these families face homelessness.

>> Housing supply and affordability is a critical workforce, talent, and quality of life issue for Michigan.

ACTION:

Support healthy housing market and supply of attainable housing, create and expand tools for development or rehabilitation of housing supply that is attainable to more ALICE families.

**United
Way**



**Michigan Association of
United Ways**

**330 Marshall Street, Suite 211
Lansing, MI 48912**

www.uwmich.org