



Michigan League
FOR
Human Services

.....Connecting...thedots.....

Renell Weathers
Michigan League for Human Services
October 7, 2011

Today's challenges.....

- Unemployment
- Children poverty
- Immigration policy
- Health care
- Racial disparity
- Low-wage jobs
- Income inequality

Poverty up in Michigan

By Jerry Wolfe
For the Daily Tribune

Michigan's poverty rate increased by more than 50 percent during the past decade and median income dropped in state households more than any other place in the nation.

State's drop in income leads nation

median income drop by more than \$12,000 a year in inflation-adjusted dollars since the start of the decade, the largest drop in the country.

balanced approach in Michigan and in our nation's capital that includes looking at revenues as part of the solution," said Gilda Z. Jacobs, president and CEO of the Michigan League for Human Services.

"Deep cuts alone will threaten the recovery and make it harder for Michigan to advance," she added. "We know that rising poverty

threatens our economic future."

Specifically, the League said Congress needs to support Medicaid, food assistance and tax credits for working Americans, and in Michigan, lawmakers and the administration should rethink deep cuts to business taxes combined with deep cuts to programs and services that help Michigan chil-

dren and families.

As of Oct. 1, Michigan will not be able to receive benefits for more than six months during their lifetime for families with 30,000 dollars chopped off the rollover state.

In addition, Michigan reduced unemployment from 26 to 20 weeks half of the jobless longer searching

Finding a job takes longer

By Jerry Wolfe
For the Daily Tribune

Half of Michigan's jobless workers aged 25 to 54 spent six months or more looking for a job, a study released Wednesday concluded.

The Labor Day Report from the Michigan League for Human Services says the six-month-plus job search period is the longest on record.

Michigan had an unemployment rate of 10.9 percent and it was double for those who are black, Labor Department statistics showed. The share of long-term unemployed — those out of work 26 weeks or longer —

Unemployed workers are struggling mightily to find new jobs.

workers last year. "Michigan's unemployed workers are struggling mightily to find new work once they are displaced, and, sadly, the unemployment rate for some groups continues to rise," said

League President & CEO Gilda Z. Jacobs.



Former Sen. Gilda Jacobs, who now leads the Michigan League for Human Services, says the public protests are having an effect on lawmakers as they debate the budget.

Welfare recipients bracing for four-year cap on benefits

Economy still hurting state's kids

MORE OF MICHIGAN'S YOUNGSTERS THAN NATIONAL AVERAGE ARE LIVING IN POVERTY

BY TIM MARTIN
THE ASSOCIATED PRESS

LANSING — Michigan continues to rank below average on key economic measures for child well-being compared to other states, according to a report released today. The state ranked 30th overall in e-by-state rankings in the annual Kids Count report from the Annie Casey Foundation, which is based mainly on data from 2007 through 2009. It's the same overall ranking

as in last year's report for Michigan, which was the worst showing in a decade. Michigan's top overall ranking in the past decade was 24th in 2002.

Child poverty appears to be a growing problem in Michigan during the past several years, in which the state's unemployment rate was above the national average. The state ranked 38th in the child poverty measure for 2009, defined as income less than \$21,756 for a family of two adults and two children.

About 23 percent of Michigan's

children lived in poverty in 2009, compared to 14 percent in 2000. The national average was 20 percent in 2009 and 17 percent in 2000.

"Michigan traditionally has had a pretty sound standard of living — higher than the national average," said Jane Zehnder-Merrell, director of the Kids Count state project with the Michigan League for Human Services. "And now we have a child poverty rate that's higher than the national average."

Zehnder-Merrell said she is worried

about future trends, because the state has reduced funding for some support systems for families in need.

Michigan's worst ranking also was directly related to the economy. The state ranked 47th in the nation with 36 percent of children younger than 18 living in a household where no parent had full-time, year-round employment. The national average in 2009 was 31 percent.

The report said that in 2010, about 12 percent of the state's children had at least one unemployed parent. The

report also indicates about 5 percent of the state's children have been affected by home foreclosures since 2007.

Michigan has had better-than-average rankings for births to teen mothers, child death rates and teen death rates.

New Hampshire, Minnesota, Massachusetts, Vermont and New Jersey had the highest overall rankings in the annual Kids Count survey. Mississippi, Louisiana, Alabama, Arkansas and New Mexico ranked lowest.

IMPACT OF WELFARE CUTS

Based on state projections, the Michigan League for Human Services estimates the number of families in each county that would be cast off the welfare assistance Oct. 1 if the new four-year cap becomes law:

- » Ingham — 245
- » Eaton — 43
- » Clinton — 14
- » Ionia — 38
- » Shiawassee — 76

.....Misguided policy



By the numbers

- 800,000 working families
- 124,000 kids
- 95,000 households
- 40,000 jobless workers

By the numbers

- 4,500 families
- 78,000 families
- 1,200 adults
- \$550 million no longer spent in economy

EITC: Keeping kids out of poverty



- EITC helped 780,000 households
- Governor, House & Senate leaders wanted to eliminate
- Compromise now at 6% (vs 20%)
- Reduced but important public policy tool still alive

FIP 48 month limit on cash assistance

- 11,162 families cut
- More than 2/3 are children –
nearly 30,000
- EFIP Included

FAP asset test

- \$5,000 liquid asset limit
- \$15,000 vehicle limit
- For every \$1 spent = \$1.79 in economic activity

Broad perspective.....

- Workforce development
- Safety net issues
- Poverty
- Child well-being
- Unemployment
- Health insurance
- State and federal budgets
- Tax policy

The Michigan League for Human Services is a policy organization focused on the needs of Michigan's struggling families and individuals.

The League was founded in 1912 and is a private, nonprofit charitable organization.