

United Way of Summit County
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TESTIMONY

HB 49

HOUSE FINANCE SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

Statement of

Dr. Nichole M. Booker

Vice President, Strategic Affairs

United Way of Summit County

90 North Prospect St. Akron, OH 44304

Submitted for the record

House Finance Subcommittee on Health and Human Services

March 20, 2017

Chairman Romanchuk, Ranking Member Sykes, and members of the House Finance Subcommittee on Health and Human Services:

My name is Nichole Booker, Vice President of Strategic Affairs at United Way of Summit County. I hold a doctorate in Public Administration focused on Applied Policy and am honored to hold a senior leadership position at United Way (UW). My experience and current work is focused on complex social issues with particular emphasis on creating and sustaining non-traditional cross-sector partnerships; creating platforms to stimulate innovative ways to better leverage existing resources to build effective solutions to address those issues. I appreciate the opportunity to testify today on behalf of United Way of Summit County and the Summit County Healthier Buckeye Council to ask for consideration of continued support for the Healthier Buckeye Pilot Program.

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For over eight years, we have focused on providing skills and resources to individuals in order to help them help themselves by working with them to develop their plan to break the cycle of poverty and achieve financial independence. We have graduated hundreds of individuals from the program and have seen increases in income and decreases in reliance on public assistance. We have also educated and trained thousands of professionals in the public, private and nonprofit sectors to better understand poverty and the individuals in which they employ, teach or serve. What we have learned about the realities of poverty and generational poverty, what works, what doesn't, and the extent of fragmentation that exists within and across systems has provided the kind of insight necessary for us to conclude where to invest for the biggest ROI (return on investment).

We are most successful with individuals and families that are working, but still unable, or barely able, to make ends meet – individuals and families that are either working and still receiving public assistance or those on the very edge of needing to apply for assistance. One of the most significant needs and gaps that exist is the lack of quality financial coaching and support. Over 54 million US households collectively owe more than \$800 billion in debt, but the services and support available to low-income residents are inconsistent at best and counterproductive at worst.

Sure, we will have graduated 200 individuals by June of this year and we have leveraged the HBC funding for additional local investments. But more importantly, the initial HBC grant has allowed us to lay a strong foundation to narrow our focus in preparation to scale what we know works and will have the biggest ROI for the community. This last year has laid the foundation to build on our work through Financial Empowerment. The **Bloomberg Financial Empowerment** model provides people with the tools to take charge of their own financial situation and achieve financial stability. The model has proven to help low-income citizens reduce debt and build assets. In partnership with the City, financial empowerment becomes integrated with municipal services and coordinated by UW. Because of the far reach UW has into the corporate community, we leverage relationships with banking and financial partners, as this work aligns with

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their need to invest CRA dollars. It also aligns with many of our largest corporate partners CSR (corporate social responsibility) priorities.

This work fills major gaps for low to moderate-income residents in terms of financial health by building assets, building safe and reliable banking relationships, building credit, and reducing debt. It provides the kind of financial planning and autonomy that leads to reducing expenditures and creating revenue for the state as individuals and families become more financially healthy.

Despite a rocky rollout, HBC has certainly provided a significant opportunity for us to build some additional capacity to move forward in scaling our efforts in partnership with government, faith, and corporate partners. We know that federal entitlement programs and health and human services programs are going to be taken in completely different directions. Therefore, state support of innovative approaches like HBC that are local, cross-sectoral efforts that build upon and leverage local assets and resources is critical. This is NOT an entitlement program – it is an opportunity for local flexibility to develop scalable solutions.

We are asking for consideration to provide the same level of support for HBC as in the last budget - \$11.5M. Thank you for the opportunity to provide testimony at today's hearing.