



Senate Ways & Means Committee
Written Proponent Testimony for SB 35
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Chair Eklund, Vice Chair Terhar, Ranking Member Williams, and members of the Senate Ways and Means Committee, thank you for the opportunity to provide testimony in favor of SB 35 and to speak to its impact on our state's children. My name is Brandi Slaughter and I am the CEO of Voices for Ohio's Children, a statewide, nonpartisan advocacy organization, focused on improving the well-being of children in our state.

Ohio is the home of more than 2.6 million kids and, at Voices, we strive to give all of them a voice in the public policy process. Because, while priorities and issues change from one General Assembly to another and from this budget cycle to the next, children's needs remain the same. They need a loving family and support system, nourishing meals, access to high-quality healthcare, safe neighborhoods, quality schools, engaging community activities, and a variety of college and career options.

SB 35 is a straightforward piece of legislation that seeks to make the Earned Income Tax Credit (EITC) refundable, rather than nonrefundable, and removes the credit's income restrictions, beginning with the 2017 taxable year.

The federal refundable EITC is the nation's most powerful anti-poverty program. However, the EITC could be a much more powerful tool for helping working families meet their needs. Annually, the program lifts over 6 million people out of poverty, including 3.3 million children. Between 2011-2013, 177,000 Ohioans were lifted out of poverty, including 93,000 children.

Research has shown that the children of families that received the refundable federal EITC have overall better academic performance including: earning better test scores (especially in math and reading), having higher graduation rates, are more likely to attend college. Children in families that received federal EITC refunds have also been found to be healthier. A study from the University of California found that infants of mothers that received higher refunds were more likely to receive prenatal care and less likely to have low birth rates and premature births. There is also a growing field of researchers that believe families that receive federal EITC refunds when a child is young help them escape sicknesses and disabilities linked to child poverty.

In the longer term, children from families that received the refundable federal EITC tend to have higher skills and are more likely to have higher incomes. Many children raised in lower income households are inclined to work less as adults in comparison to children from higher income families. Research has shown that children from low income families that get a \$3,000 boost in income in their early years will see a 17% increase in income and an additional 135 hours of work as an adult compared to children from low income families that do not see the additional income.

Thank you for your consideration. By working together, Ohioans can ensure a positive future for our families and our state.

safe

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employable

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