



## Representatives Tim Ginter and Jena Powell

Ohio's 5<sup>th</sup> and 80<sup>th</sup> House Districts

Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers and members of the House Ways and Means Committee, thank you for the opportunity to present sponsor testimony on House Bill 297. This bill authorizes an income tax credit for a taxpayer's cash contribution to qualifying non-profit Pregnancy Resource Centers.

Pregnancy Resource Centers (PRCs) located across Ohio provide services for pregnant women such as prenatal care, counseling, and other resources during a critical and often stressful time in their lives. I would like to emphasize two major reasons this bill is crucial to my constituents and families across our state; the exponential rise in health care costs and the unpredictable strain on federal and state budgets.

Constituents in my district often tell me their healthcare costs are rising at such a rate they're unable to make ends meet. I've heard from expectant mothers, mothers with newborns and those who are planning families who are struggling to find affordable care, even with health insurance, at traditional health care facilities. Though state funding is provided for certain health care expenses by non-profit healthcare providers, government is unable to meet the demand and breadth of need. We need a way to support our families' healthcare needs in local, low or no cost settings. Pregnancy Resource Centers are one of the answers to this need.

Even though we are currently in a period of economic expansion, economists remind us that the economy is cyclical, and a future recession is unavoidable. With Medicaid consuming nearly half of our state budget, it is reasonable to assume that during an economic downturn, a necessary cut will be made to expenses. It is only sensible that we provide avenues of health care that are not totally dependent upon government funding. Pregnancy Resource Centers help to take some of the strain off of government while at the same time providing another avenue of care for women with limited resources. The latest studies show that at least 90% of PRCs funding come via donations from the local community.

Pregnancy Resource Centers have a proven track record. Multiple thousands of Ohioans could testify to the wonderful benefit they have been to them and their families. And they are a good

investment for our state with a great ROI not only financially, but in lives saved and improved health, both of body and mind.

Thank you again, Mr. Chairman I will turn it over to my joint sponsor Representative Powell to explain more detail about this bill.

Thank you, Representative Ginter, and thank you, Mr. Chairman.

Practically speaking, HB 297 will extend a nonrefundable tax credit to individuals who donate cash to qualifying pregnancy resource centers. The amount of the tax credit will equal 50% of the taxpayer's total pregnancy resource center contributions during that year.

Any tax credit in excess of an Ohioan's tax liability will carry over to the next tax year.

Here are two different scenarios explaining what will occur under this bill:

- 1) Jane Doe owes \$100 in state taxes. She donated \$300 in cash to a qualifying pregnancy resource center. She gets a \$100 tax credit from the state of Ohio and thus owes nothing in taxes. The extra \$50 of tax credit will get credited to her in the next tax year.
- 2) Jane Doe owes \$500 in state taxes. She donated \$300 in cash to a qualifying pregnancy resource center. She gets a \$150 tax credit from the state of Ohio and owes \$350 in taxes. No credit will roll over to the next tax year.

I am excited about this bill because I think Ohioans can spend money for their community better than state government can. This bill gives an incentive for people to give to their local pregnancy resource center, allowing families to put their money towards helping other families in their community. We want to see families and children thrive here in the state of Ohio. This bill specifically does that – it comes alongside families who are in need of assistance and helps create strong families in Ohio.

The Governor has a large initiative towards women and children and investing in the next generation in our state. One of the ways we can do that is by allowing communities to come alongside the great work that pregnancy resource centers are already doing.

Representative Ginter and I are open to any questions the committee may have at this time. Thank you.