

May 13, 2021
Senate Health Committee
Testimony on HB 110

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the Senate Finance Committee,

My name is Barry Goldberg. I am an organizer with NOBLE, a coalition of individuals and organizations advocating for ourselves and others who are consumers of State Health and Human Services programs. Our coalition consists of many folks that are low-income citizens and most impacted by cuts or negative changes at the State, local, and Federal levels to such programs as Medicaid and SNAP, just to name a few. Members of NOBLE feel that it is important to bring the voices of low-income Ohioans to the Biennium Budget debate, which is the reason for providing this testimony.

Kinship Care is a crucial investment. When a child can't be raised by a parent, having legal guardianship transferred to another relative is the best possible outcome. Keeping families together, and providing children a safe, stable home, with someone they know, not only supports family values, but is a strong investment in our future. However, many of these relatives aren't prepared for the expenses that accompany raising a child. We work with many kinship caregivers regularly, and know them to be hard working with big hearts, but often lacking in material resources. That is why we are deeply saddened that the budget as proposed has reduced the TANF earmark for the Kinship Caregiver Program to \$10 million annually, from \$15 million in previous years. This cut could be disastrous for many kinship providers, whose numbers have only been increasing in recent years. Not only should the Kinship Caregiver Program's funding not be reduced by a single penny, but it should be expanded.

NOBLE also supports raising eligibility for the childcare subsidy to 200% the federal poverty level. Using current numbers, this would mean that a family of four with a combined household income of less than \$53,000 would be eligible for assistance. That could be a family with one working parent, and another who with childcare assistance is now able to get back on the job hunt. Or a family with two hard working low income parents, who simply can't afford quality childcare, and whose children would reap the benefits of a strong pre-k program for the rest of their lives. Childcare helps our economy, by allowing parents to work, and it helps communities, by providing safety and stability for children, families, and prospective parents.

The question we are always asked when we advocate for raising support for low income families is "how can we afford this?" In short, we would answer that question with a question, "how can we afford not to?" Working families are the backbone of Ohio, and when working families thrive, everyone thrives. But, to be more specific, there are many sources of funding for our proposals, if we are willing to give working families the same care we give to the wealthy. For starters, we could narrow the LLC loophole, from \$250,000 to \$100,000. This would raise an additional \$500 million annually, more than enough for our proposals. Why should an individual comfortably making \$250,000 a year avoid paying a penny in income tax, when a family of four with two parents each making a tenth of that at \$25,000 is paying more in taxes and unable to afford care for their children? Additionally, the legislature has already found \$190 million annually to fund a 2% income tax cut. To do this without first adequately funding necessary programs for poor and working class families would be shortsighted and wasteful. Ohio's wealthy are prospering just fine, that \$190 million annually would be better spent on those of us who are struggling.

However, we are not opposed to all tax cuts. We suggest the legislature instead implement a refundable option to the Earned Income Tax Credit. By giving low income, working taxpayers the option of a 10% refundable Earned Income Tax Credit, should that benefit them more than the current 30% non-refundable Earned Income Tax Credit, we would not only be putting money into the pockets of those who need it the most, but into the pockets of those who spend it the most. Ohio's economy is strongest when money is moving and being spent. And while tax cuts to the wealthy are more likely to result in money sitting unused, tax refunds to the poor get rapidly circulated back into the economy, helping spur jobs and development. We should not be spending our budget on programs that support those already doing well, we should be supporting those who need the opportunity to do better.

Thank you for your consideration, I welcome all questions.

Barry Goldberg