

Senate Finance Committee
Testimony on HB 110

May 13, 2021

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the Senate Finance Committee, my name is Gail Long, and I am a member of Northern Ohioans for Budget Legislation Equality. NOBLE is a coalition of organizations and individuals who bring the voices of low-income individuals and families to the State Biennium Budget process. Most of our members are consumers of numerous services funded in part by the General Revenue Fund and all of us are taxpayers.

NOBLE is here today to support Increasing the childcare subsidy from 130% to 200% of the Federal Poverty Line in addition to other Health and Human Service line items. In our Biennium Budget Platform, we have for several years supported increasing the eligibility subsidy requirement to 200% of the FPL. This would mean that a working family of four (4) could earn up to \$52,400 a year and be eligible for the childcare subsidy.

I am a retired executive director of a neighborhood center in Cleveland that offered cradle to grave services. Childcare was one of our biggest and most popular programs. We served children from the ages of 6 months to 12 years of age. Parents could leave their children, go to work, and know that their children would be safe, well fed and in a learning environment. Prior to my retirement, the subsidy was lowered from 185% of the FPL. Right away, parents either asked relatives, neighbors, or friends to watch their children so that they could continue to work, or they were forced to leave their low paying jobs because they could no longer afford childcare. These parents wanted to work, and they wanted to be contributing members of society.

We have been asked how much this would cost and how would the increase be paid for. We have two suggestions: One, reducing the LLC tax loophole from \$250,000 to \$100,000 a year and eliminating the 3% lower rate that is paid on business income over \$100,000. This would raise about \$500 million per year. In addition, the increase to 200% of the FPL could be paid for in part by eliminating the 2% income tax cut in the House version of the Biennium Budget.

Yes, the Governor and the House of Representatives are proposing an increase from 130% to 138% of the FPL. 138% will not support enough families who want to work while sending their children to a quality, affordable childcare center. We urge you to increase the subsidy to 200% and support working families and their children. In 2019, the Urban Institute says in their study, "What if We Expanded Child Care Subsidies," that by increasing the subsidy to 150% of the FPL an additional 67,400 children could be served. This number would be larger if the Senate would support the increase to 200%.

In nearly all budget debates, we have brought to your attention the importance of moving Adult Protective Services from an un-funded mandate to one that supports each County's ability to identify seniors who are being abused and neglected. You have put money into this program, but it is by no means fully funded. We have asked you to fully match Older Americans Act dollars to the state so that we can maximize home delivered meals, adult day care services, transportation, and socialization. As our State ages, these services become increasingly more important. It is much less expensive and more desirable for those of us who are elderly to age at home rather than in a long-term care institution if possible.

More recently, we have raised the issue of Kinship care with you. The opioid epidemic has put increased pressure on family members to care for a loved ones' children. Grandparents, uncle and aunts, sisters and brothers have all become kinship care providers. They have however not received equal compensation as the traditional foster parent does. This is not right and NOBLE advocates for equity. Being a kinship care provider does not mean that your expenses are less than they are for a traditional foster parent. These expenses are the same.

Finally, we urge you to protect Medicaid and Medicaid Expansion. During the pandemic and the expansion of the opioid epidemic, Medicaid and Medicaid Expansion have saved lives. Ohio should be commended for its willingness to continue to fund one of the best Medicaid programs in the Country. In addition, do not make any cuts to food assistance, rather, increase your annual allocation to \$45 million per year. We are not out of the woods yet when it comes to the pandemic. We are just beginning to see the lifting of some restrictions, but it will be a while before we see whether this will help to get people back to work. In the meantime, food banks must be able to meet the needs faced by families facing food insecurity.

Thank you and NOBLE urges you to make decisions in the best interest of the citizens of this state.

Thank you for allowing us to speak.