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Ohio Senate
Finance Committee

Substitute HB 110
Testimony June 3, 2021

Chair Dolan, Ranking Member Sykes and members of the Finance Committee. My name is Larry Bresler, and I am a member of Northern Ohioans for Budget Legislation Equality/NOBLE. NOBLE is a coalition of organizations and individuals working to bring the voices of low-income individuals to the State's Biennium Budget process. Since 2003 we have worked to improve and protect health and human services that work to steady the lives of people as they struggle to make a living, educate their children, and survive the ups and downs of everyday existence.

I am here to speak about childcare. While we commend the Senate for proposing an increase from 130% to 142% this needs to be higher. At 142% of the poverty line, childcare subsidy would be provided for families of three an income of \$31,183 and families of four of \$37,630.

That may seem like an adequate amount to provide subsidy, but if you break it down. It is not. To demonstrate this, I ask you to perform a short exercise at your convenience. Either for a single mother with two children or a couple with two children, I would like you to put together a basic monthly budget for the county in which you reside. The budget should include all housing costs (mortgage or rent plus utilities), phone and internet, food costs (which have increased substantially), transportation (which is also substantially increasing), clothing, household supplies, health care, and miscellaneous expenses including some basic recreation and some savings. Add those up and multiply by 12. You will find that this is close to the 142% of poverty figure.

In January a study by the Lending Tree found that the average cost for childcare in Ohio had jumped from \$7,500 to over \$15,000. Even with us getting closer back to normal, we can assume that the average childcare prices will still be about \$10,000 per year per child. When you add \$20,000 to the yearly costs previously cited, childcare becomes unaffordable. This is a critical reason why many parents are not going back to work. They cannot afford the childcare costs. I know parents who are in this predicament.

NOBLE supports increasing the Child Care Subsidy to 200% of the Federal Poverty Guideline which in 2021 is \$43,920 for a family of three and \$53,000 for a family of four. I'm sure that I can safely say that all of us want to see all people who are able, to work. Childcare along with transportation are the two highest expenses for working parents. By expanding the subsidy to 200% of the FPL, more parents will be able to work without worrying about childcare. Finally, to protect the educational achievements for children, we ask that you guarantee childcare subsidy eligibility for parents for 12 months after they

become ineligible. Childcare services ensure a safe, educational environment for children while their parents are working.

For the sake of our children and for the sake of parents of children who we want to be employed and have productive quality lives for their families, as well as to have a healthy economy in Ohio, I urge you to raise the eligibility for childcare assistance to 200% of the poverty line.

Thank you for your consideration.