



ERIN RYAN
Director, Center for Maternal & Young Child Health | Groundwork Ohio
eryan@groundworkohio.org
4041 N. High St., Suite 204
Columbus, Ohio 43214

**Ohio State Senate
Ways and Means Committee
Senate Bill 39: Exempt certain baby products from sales and use tax
Erin Ryan | Director, Center for Maternal & Young Child Health
Groundwork Ohio
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Chair Blessing, Vice Chair Roegner, Ranking Member Kent, and distinguished members of the Senate Ways and Means Committee, thank you for the opportunity to testify in support of Senate Bill 39, to exempt certain baby products from sales and use tax. My name is Erin Ryan, and I serve as the Director of the Center for Maternal & Young Child Health at Groundwork Ohio.

Groundwork Ohio, led by President & CEO Shannon Jones, is a statewide, nonpartisan public-policy research and advocacy organization that champions high-quality early learning and healthy development strategies from the prenatal period to age five, that lay a strong foundation for Ohio kids, families, and communities. Our vision is to make Ohio the best place to be a young child so that all children have the opportunity to reach their full potential.

The mission of the Center for Maternal & Young Child Health, one of three “centers of excellence” housed within Groundwork, is to prepare Ohio for a better future by building and transforming systems that improve maternal and young child health, promote health equity, and prioritize prevention through policy development, research, and collaboration so that all Ohio mothers and young children thrive. The overall well-being and health of a family is directly tied to their economic status. When families have economic stability, their children can grow and thrive. Senate Bill 39 aligns with the goals of the Center exactly because of this connection to better supporting families’ economic opportunity.

Ohio is one of many states that utilizes the exemption of sales taxes on items that serve as basic necessities of everyday life, including medicine and food. Senate Bill 39 recognizes the basic, necessary role that everyday baby items, such as diapers, strollers, and car seats, play in raising a baby, while also providing additional financial savings during a time when families face immense expenses when preparing for and welcoming a new child into their lives.

As you deliberate on this bill, it is crucial that you understand how it fits into the larger picture of the state of Ohio families with young children. After two years of extensive research, fact-gathering, and input from children and family experts throughout the state, including families themselves, we are proud to release the completed [Early Childhood Data Dashboard](#). This first-of-its-kind tool incorporates more than 60 metrics across six domains, including early learning

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access, kindergarten readiness, poverty, prenatal care, well-child visits, and more, spotlighting the immense challenges and broad inequities faced by the families in our state.

Unfortunately, many families with young children across our state are struggling to make ends meet. When families live in poverty, they often lack the financial resources to afford safe, stable housing, nutritious foods, and basic necessities that support children's growth – such as the items covered under Senate Bill 39. In Ohio, in 2019, 1 in 5 children between the ages of 0 and 5 lived in poverty (21% below 100% of the federal poverty level), and another 1 in 10 lived in extreme poverty (10.2% below 50% of the federal poverty level). Young children of color are even more likely than their white peers to be living in poverty, with Black children three times as likely, Hispanic children 2.5 times as likely, and Native American/American Indian children 3.8 times as likely compared to white children to be living in a household in poverty.

The time before a child is born, and during the initial months of that child's life, can cause extensive financial stress for a family – compounding economic instability that a family may already be experiencing. In fact, according to our Data Dashboard, in 2020, 16% of women reported having problems paying bills in the 12 months before their baby was born. Child care comprises a large share of most families' expenses, and many families struggle to afford safe, quality child care. Between 2016 and 2020, even prior to the pandemic, 1 in 10 families with a child age 0-5, had a family member who had a job change due to problems with child care in the past 12 months. Black families with young children are more than twice as likely to change jobs because of problems with child care than white families.

These data points provide a snapshot of the status of families with young children across our state, many of which are facing challenges to achieving economic security. Behind each of these numbers are real families who each have their own story to tell, which we hope can help shape the policy decisions made in this committee and throughout the state legislature. And at a time of immense change with the unwinding of the public health emergency, changes in food benefits, and a return of child care copays in the imminent future, there is no better time to support the economic well-being of families.

In conclusion, Senate Bill 39 is one of many effective tools to bolster the economic standing of Ohio families with babies, particularly for families who earn low-incomes as they pay a larger percentage of their income in the form of sales tax. We encourage this committee to consider the positive economic impact that this legislation will have for families with young children, as well as continuing the discussion on additional policy opportunities that build the economic security of these same families.

Thank you for your time and consideration. I am happy to answer any questions today or by email at eryan@groundworkohio.org.