



Testimony to the Ohio Senate Finance Committee
Interested Party
HB 96, Main Operating Budget FY2026-FY2027
May 30, 2025

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Finance Committee, thank you for the opportunity to provide written testimony on House Bill 96.

Economic Mobility Alliance Ohio (EMAO) is an alliance of state and local advocacy, research, workforce development, and health and human service organizations and funders committed to ending the system of disincentives to work known as benefits cliffs that trap Ohioans in poverty. As a collaborative, we raise awareness and advocate for positive solutions to mitigate and eliminate benefits cliffs, to reduce disincentives to work, and to create a more seamless pathway to economic stability for all Ohioans.

Fostering Economic Mobility – Bridging Benefits Cliffs

Benefits cliffs are the points on the path from poverty to economic stability where a small increase in earnings causes the loss of a public benefit. For many Ohioans, earning just a dollar more means they could lose access to benefits like Publicly Funded Child Care (PFCC), the Supplemental Nutrition Assistance Program (SNAP), or Medicaid, setting them further behind than if they did not have an increase in income.

Workers often make career decisions based on the cliff by turning down raises and promotions, keeping them trapped at their current wage and supported by benefits. Businesses then struggle to fill open positions and retain workers, and taxpayers lose by funding a public benefits system that traps Ohioans in poverty, rather than supporting growth towards economic stability.

The Women's Fund of the Greater Cincinnati Foundation created a Self-Sufficiency Simulator,¹ which shows that for a single parent with one infant and one school-aged child, that parent would need to earn \$58,777 per year to make ends meet in Washington County, or \$80,839 to make ends meet in Lake County.

Expenses including home internet and phone costs, child care, food, health care, housing, and transportation compound to create very little flexibility in household budgets to absorb increasing cost of living or to weather benefits cliffs.

¹ <https://womensfund.gcfndn.org/womensfund/self-sufficiency-simulator/>



Additionally, United Way’s Asset Limited, Income Constrained, Employed (ALICE) data calculates the cost of household essentials for each county in Ohio and finds that, while 14 percent of Ohio’s households earned below the Federal Poverty Level in 2023, that number doesn’t encompass the additional 25 percent of Ohio households who fall below the ALICE threshold.²

In Senate District 18, 33 percent of Ohioans fall below the ALICE threshold, while only 9 percent participate in SNAP. In Senate District 30, 45 percent of Ohioans fall below the ALICE threshold, while only 15 percent participate in SNAP.³ As this data shows, Ohioans just above the eligibility levels for many public benefits programs are still struggling to get by, with little support from public programs.

Families just above the Federal Poverty Level are also more likely to face benefits cliffs as their income increases. With this data in mind, EMAO would like to address a few budget provisions that would impact Ohioans as they move into economic stability:

Supporting Families and Children – Child Care

For low-income families, child care is the largest, most burdensome expense in their household budget. The cost of child care has risen substantially in recent years, and child care now costs an average of \$9,500 per year for preschool-aged children, \$11,000 per year for toddler care, and \$12,300 for infant care.⁴ Lack of access to affordable child care close to work and home is one of the biggest barriers to work that Ohio families face.

Lack of child care is also a clear business challenge for Ohio. Without affordable and accessible child care, parents have to reduce work hours and cannot fully participate in the workforce. A U.S. Chamber of Commerce Foundation report found that in Ohio, employee turnover and absenteeism due to child care costs Ohio employers an estimated \$3.97 billion per year. Child care issues also cause an estimated loss of \$1.52 billion in annual tax revenue.⁵

EMAO asks for restoration of the as-introduced increase to Publicly Funded Child Care initial eligibility to 160 percent of the Federal Poverty Level (KIDCD21) as well as the restoration of the as-introduced investments in the Child Care Choice Voucher program (KIDCD17) to serve families up to 200 percent FPL.

Relief for Working Families – Child Tax Credit

EMAO strongly supports the proposal included in the as-introduced budget to create a state refundable Child Tax Credit (CTC) of up to \$1,000 per child under age 7 per year in families with incomes under

² <https://www.unitedforalice.org/introducing-ALICE/Ohio>

³ <https://www.unitedforalice.org/legislative-district-tool>

⁴ Groundwork Ohio Early Childhood Data Dashboard: <https://www.groundworkohio.org/dashboard>

⁵ <https://www.uschamberfoundation.org/education/untapped-potential-report-ohio>



\$94,000 for people who are married filing jointly and under \$69,000 for single tax filers (TAXCD61).

Despite recent increases in wages for some occupations, 14 of the 20 most common occupations in Ohio still pay less than \$20 per hour.⁶ Just to cover basic needs, an Ohio family of four would need to earn \$65,000 per year. If a family has two children in child care, that family would need to earn up to \$79,000 to cover the cost of basic needs.⁷

The proposed CTC would directly support Ohio families facing increasing cost of living. During the temporary expanded federal CTC in 2021, 90 percent of Ohio households who received the credit used the additional funds to cover basic needs, such as food, clothing, rent, mortgage, and utilities, or for education expenses.⁸

Support that families would receive from the CTC would go directly back into local economies to cover basic needs. Analyses show that the as-introduced CTC proposal would result in a \$740 million total economic benefit, with every dollar spent on the tax credit yielding \$6.65 in economic benefit to the state.⁹

With a credit that phases-in as income increases, this credit would also support work, especially as families face benefits cliffs associated with even small increases in income and as families build a foundation of economic stability for their futures.

EMAO asks the Senate to invest in Ohio's children, families, and workforce by restoring the as-introduced Child Tax Credit in the state budget.

Maintain the Efficiency of SNAP – Reporting Requirements

As we continue to see the cost of living and cost of groceries increase, the Supplemental Nutrition Assistance Program (SNAP) is a critical program to ensure that Ohio families are able to work, go to school, and be engaged in their communities, all while being fueled by food purchased from grocery stores in their communities with fully federally funded benefits.

According to the Ohio Workforce Coalition's 2023 report, [*When Working Isn't Enough*](#), across 531 occupations with Ohio data available, 15 percent of workers are enrolled in SNAP and rely on it to support their families.¹⁰ These individuals represent the backbone of Ohio's economy—often working in essential jobs like childcare, food service, and health care. SNAP is a critical support for working families who are

⁶ <https://www.unitedforalice.org/ALICE-in-the-labor-force/ohio>

⁷ <https://www.unitedforalice.org/the-cost-of-basics/ohio>

⁸ Health Policy Institute of Ohio: <https://www.healthpolicyohio.org/our-work/publications/effects-of-the-child-tax-credit-on-poverty-health-and-well-being>

⁹ Ibid.

¹⁰

https://static1.squarespace.com/static/6182cd0006c6fc4277149b5c/t/649c42b341650d493f77d42e/1687962294376/WhenWorkingIsntEnough_Final_6_28.pdf

doing everything right but still cannot make ends meet in a low-wage economy.

Reporting changes included in the House-passed budget would increase the administrative burden of the SNAP program on county Job and Family Services case workers and on SNAP participants (RC 5101.546, JFSCD36). These new provisions would require SNAP participants to report their income each month, instead of the current 6-month recertifications and the already existing requirements for participants to report any change that would impact their eligibility for the program.

In practice, this would mean Ohioans would see a fluctuation in their benefit levels from one month to the next if they pick up an extra shift or two or work overtime, even if the income changes don't impact their eligibility. Increasing administrative hurdles will disproportionately impact this population and lead to increased churn, delayed benefits, decreased stability, and potentially negative employment outcomes.

This would exacerbate the SNAP benefits cliff and reverse recent strides Ohio has taken to turn the cliff into an off-ramp. EMAO asks that these cumbersome reporting requirements be removed.

In Conclusion

With intentional investments, Ohio can support working families as they earn more and become more economically stable. Thank you for your diligence throughout the budget process and for supporting programs and policies that lead to economic mobility for all Ohioans.

EMAO welcomes questions at any time via email. Learn more about EMAO on our website: <https://www.economicmobilityohio.org/>.

Economic Mobility Alliance Ohio Leadership

Sarah Hudacek

Advocates for Ohio's Future
shudacek@communitysolutions.com

Jason Kluk-Barany

The Center for Community Solutions
jkbarany@communitysolutions.com

Renee Timberlake

Greater Cleveland Works
renee.timberlake@jfs.ohio.gov

Yvonne Cherell

Ohio Urban Community Action Network
yvonne.cherell@ohiucan.com

Rebecca Kusner

Ohio Workforce Coalition
rebeccak@ohioworkforcecoalition.org

Maryam Kiefer

United Way of Greater Cleveland
mkiefer@unitedwaycleveland.org

Dr. Travis Speice

The Women's Fund of the Greater Cincinnati
Foundation
Travis.Speice@gcfdn.org

