



Advocates for Ohio's Future

Testimony to the Ohio Senate - Interested Party
Government Oversight and Reform Committee
HB 96, Main Operating Budget FY2026-FY2027
May 14, 2025

Chair Manchester, Vice Chair Brenner, Ranking Member Weinstein, and members of the Senate Government Oversight and Reform Committee, thank you for the opportunity to provide testimony on House Bill 96. My name is Sarah Hudacek and I am the Coalition Manager of Advocates for Ohio's Future. Advocates for Ohio's Future (AOF) is a nonprofit, nonpartisan coalition of state and local health and human services policy, advocacy and provider organizations that strive to strengthen families and communities through health, human services, and early care & education.

AOF was founded 15 years ago with the recognition that Ohioans don't live their lives in siloes and that unaddressed needs will follow a person throughout their life span. Needs are often not isolated to one area of life. Our public policy and funding choices should reflect the interconnectedness of health and human services and invest in systems that can truly wrap around Ohioans in communities across the state.

With that in mind, I'd like to address a few budget provisions that would impact the health of Ohioans throughout their lives:

Stabilize Ohio Families - Ohio Housing Trust Fund

The Ohio Housing Trust Fund is the primary source of state funding for local homelessness, emergency home repair, and affordable housing services. The Trust Fund supports emergency shelters, domestic violence shelters, supportive housing programs, repair and accessibility modifications for older adults and Ohioans with disabilities, rehabilitation and development of affordable rental housing, and homelessness prevention and rapid rehousing services.

Funding is allocated to projects in all 88 Ohio counties, with at least half of Trust Fund resources awarded to rural areas each year. Funding is also targeted to those who need it most, with 75 percent of the funds required to help Ohioans at or below 50 percent of the area median income.

Ohio continues to face a deficit of available affordable housing rental units, with a shortage of 264,083 rental units for the 438,108 extremely low-income renter households. Several Ohio counties have fewer affordable rental units available for every 100 extremely low-income households than do some of the most expensive cities in the nation. Darke County, Delaware County, Van Wert County, Wayne County, Williams

County, and Wood County all have fewer available affordable rental units than do New York City or San Francisco.¹

In state fiscal years 2020 and 2021, the Ohio Housing Trust Fund received \$45 million in mirrored county recorder fees and was able to leverage \$167 million from other private and federal sources. With the ability to leverage additional funds, each year, the Trust Fund supported more than 3,100 full-time equivalent jobs, generated \$431 million in economic output, or \$9.55 for every \$1 spent, and generated \$35 million in tax revenue for the state.²

The House-passed budget, however, would remove the requirement for counties to remit the Ohio Housing Trust Fund mirrored fee revenue to the state. This would move Ohio to a county-by-county approach, which would create new layers of bureaucracy, burden smaller counties without the staff capacity to undertake administration of new funds and programs, and would disrupt services.

Many OHTF-funded emergency home repair and homelessness programs cover a dozen or more rural counties. The House's proposed amendment would make these multi-county services unworkable for many local area agencies on aging, community action agencies, and Habitat affiliates that serve rural areas. Shifting OHTF administration to the counties will decrease overall housing resources in areas with the highest needs, and lead to greater housing insecurity and homelessness.

AOF supports restoring the current funding structure for the Ohio Housing Trust Fund and replacing any changes with a study committee to thoroughly evaluate the Trust Fund and make recommendations to improve its operations and effectiveness, and to consider ways to maintain an adequate, sustainable funding source.

Working Families Need Relief - Child Tax Credit

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

A large body of research supports the positive impacts of investments in early childhood that echo across the lifespan. During the 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.³

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. Over a longer term, the credit would increase Ohioans' future earnings by \$500 million, save the state \$39 million in child healthcare expenses, save \$27 million in parent healthcare expenses, and save \$120 million by diverting families from child protection involvement, to name only a few estimated future impacts of a refundable state CTC.⁴

¹ <https://cohhio.org/2025-gap-report-shows-shortage-of-affordable-homes-in-ohio/>

² <https://ohiohome.org/news/documents/OHTF-FactSheet.pdf>

³ <https://www.healthpolicyohio.org/files/publications/datasnapshotctcfinal2.pdf>

⁴ <https://www.healthpolicyohio.org/files/publications/datasnapshotctcfinal2.pdf>

This proposed CTC would reach the vast majority of Ohio taxpayers. In tax year 2022, 70 percent of Ohio taxpayers reported incomes below \$65,000 and 81 percent reported incomes below \$95,000.⁵ 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.

AOF asks that the Senate invests in Ohio's children and families by restoring the as-introduced Child Tax Credit in the state budget.

Thank you to the committee for your diligence throughout this budget process. I welcome questions via email anytime at shudacek@communitysolutions.com.

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⁵ <https://tax.ohio.gov/researcher/tax-analysis/tax-data-series/tds1>