

#### **Troy Hunter**

Managing Director of Policy thunter@groundworkohio.org mobile: 614-668-2206 175 South 3<sup>rd</sup> Street, Suite 420

Columbus. Ohio 43215

Ohio Senate
Health Committee
Substitute H.B. 96
Interested Party Testimony
Troy Hunter, Managing Director of Policy
Groundwork Ohio
May 13, 2025

Chair Huffman, Vice Chair Johnson, Ranking Member Liston, and members of the committee:

Thank you for the opportunity to testify today. My name is Troy Hunter, and I serve as the Managing Director of Policy at Groundwork Ohio. Groundwork Ohio is the state's leading advocacy organization focused on early learning, maternal, and young child health, supporting the healthy development of Ohio's youngest children, prenatal through age five, and their families. We work alongside policymakers, business and community leaders, early childhood professionals, and families to build a stronger, more prosperous future for Ohio.

Today, I am here to respectfully urge you to restore and strengthen critical investments in young children and families within House Bill 96.

#### Ohio's Families, Economy, and Future Are at Risk

We appreciate the important commitment that many of you have made to investing in Ohio's families and workforce. However, the budget as passed by the House falls short of fulfilling that commitment. By cutting core investments originally included in Governor DeWine's proposal, the House version leaves behind our youngest Ohioans at a time when families, employers, and communities are calling for greater support.

#### The need is urgent:

- One in five Ohio children under age five live in poverty, and one in ten lives in extreme poverty.
- More than a third (34%) of parents with young children struggle to pay rent or their mortgage; nearly half (47%) are struggling with credit card debt.
- Inflation is forcing 82% of parents of young children to cut back on groceries, basic necessities needed for healthy child development.

 Recent data indicate it costs \$297,675 to raise a child over 18 years, according to Lending Tree. This is a 25.3% increase over similar data available as recently as 2023.<sup>1</sup>

When families struggle, Ohio's economy struggles. And when young children lack access to health care, safe housing, high-quality early learning, and family stability, we all pay the price in lost potential, lost productivity, and diminished public health.

#### **Working Families Need a Child Tax Credit**

The financial pressures facing Ohio families reflect the daily reality for working parents across our state. These challenges strain family stability and limit parents' ability to participate in the workforce or invest in their child's healthy development. That's why policies like a refundable Child Tax Credit are essential not just to alleviate hardship, but to drive economic mobility and statewide prosperity. We must restore the proposed refundable Child Tax Credit, which would provide up to \$1,000 per child under age 7 for working families.

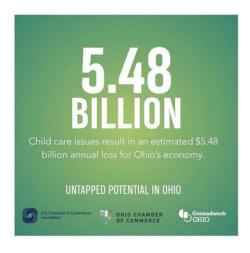
Ohio voters overwhelmingly support this solution:

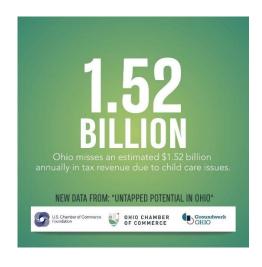
• 84% support creating a Child Tax Credit, including 83% of Republicans, 78% of Independents, and 94% of Democrats.

A Child Tax Credit would reduce financial stress and directly stimulate Ohio's economy by helping families afford basics like rent, groceries, and child care. **We urge the committee to support amendment SC0572 and restore the child tax credit, as introduced.** 

#### **Access to High-Quality, Affordable Child Care**

Child care is a workforce issue and an economic imperative. New research released by the Ohio Chamber of Commerce earlier this month highlights the magnitude of the problem: Ohio loses \$5.48 billion annually in lost economic activity and \$1.52 billion in lost tax revenue due to child care barriers.





<sup>&</sup>lt;sup>1</sup> McGrath, M. (2024, April 23). *Raising a child costs nearly* \$240K – and that's before college. LendingTree. <a href="https://www.lendingtree.com/debt-consolidation/raising-a-child-study/">https://www.lendingtree.com/debt-consolidation/raising-a-child-study/</a>

The cost of center-based child care in Ohio has seen a dramatic rise over the past three years. In 2023, for center-based care, annual infant care averaged \$12,351, annual toddler care averaged \$11,125 and annual preschooler care averaged \$9,580, up to a 23% increase from 2021.



The burdensome cost of child care is preventing more mothers from entering the workforce and child care expenses force many families to make difficult financial decisions. **Over six out** of every ten non-working Ohio moms with children under age 6 would return to work or work more hours if they had access to affordable quality child care.



Yet under the House budget:

- Eligibility for Publicly Funded Child Care (PFCC) remains capped at 145% of the Federal Poverty Level (FPL), leaving Ohio near the bottom nationally.
- Over \$200M in dollars cut from child care.
- The Kindergarten Readiness Assessment, the only statewide tool for understanding child development at school entry, has been eliminated.

At a time when only 35.4% of Ohio kindergartners are demonstrating readiness for school, these are steps in the wrong direction. We ask that this committee put families first by supporting amendment SC0460 to restore initial eligibility for PFCC to 160% FPL and support amendment SC0459 to restore the additional \$25M to the Child Care Choice Voucher Program.

Why the KRA Must Be Restored

The KRA is Ohio's only statewide, child level tool that measures how prepared every kindergartner is across four domains: social emotional development, language and literacy, mathematics, and physical wellbeing.

- **Tracks Return on Investment.** Policymakers and taxpayers can see whether public dollars for child care, preschool, and home visiting programs are improving outcomes statewide and in local communities.
- **Identifies Delays Early.** The KRA highlights gaps among student groups, allowing districts to direct resources before small differences become entrenched achievement gaps.
- **Predicts Later Success.** Children who enter kindergarten demonstrating readiness are nine times more likely to score proficient or higher on the third-grade Ohio State Test in mathematics and seven times more likely to do so in English Language Arts<sup>2</sup>.



Eliminating the KRA would leave Ohio without a critical early indicator of student progress, making it harder to identify learning gaps and invest in the supports that children need most. Nearly 4 out of 5 low-income children in Ohio are not demonstrating kindergarten readiness. We need to double down on early literacy, not walk away. We ask you to support amendment SC0456 and restore the KRA.

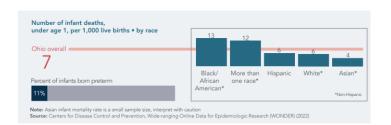
#### **Improving Health Outcomes for Moms and Babies**

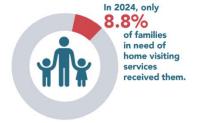
The health and well-being of Ohio's youngest children are inseparable from the health of their mothers. Yet today, too many moms and babies in Ohio face preventable risks simply because they lack access to the supports and services that promote healthy pregnancies, safe births, and strong starts to life. Unfortunately, the House-passed budget threatens to reverse progress by cutting key initiatives that protect mothers and babies at a time when Ohio's maternal and infant health outcomes already lag behind much of the nation.

<sup>&</sup>lt;sup>2</sup>Ohio Department of Children and Youth. (2024). <u>Impact Brief</u>.

We cannot afford cuts to maternal and infant health programs:

- Ohio's infant mortality rate is 7.1 deaths per 1,000 live births, compared to a national average of 5.6.
- Maternal mortality has increased by 17% over the past decade, despite most pregnancy-related deaths being preventable.
- Families who participate in Home Visiting are 60% less likely to experience infant loss.
- 15,000 less children served in Home Visiting due to cuts
- Only 8.8% of eligible families are served by home visiting programs that can prevent child maltreatment and support healthy development.





Yet the House budget eliminates or reduces funding for:

- Home visiting expansion (\$22.5 million cut)
- Infant vitality efforts (reduces by \$2M and \$2.1M each FY)

#### **Protect Medicaid Coverage and Expanding Access to Services**

Substitute House Bill 96 removes existing law requiring the Ohio Department of Medicaid to provide continuous Medicaid coverage for eligible children from birth through age three. **We ask you to adopt amendment number SC0457 to remove the House's repeal of this law**.

Additionally, it restricts access to evidence-based services like doulas for Medicaid-eligible mothers, despite clear data showing doulas improve birth outcomes and lower costs. We ask this committee to support amendment SC0461 to remove the restriction on Medicaid reimbursement for doulas to only six counties.

Supporting Ohio's youngest children is not just the right thing to do, it is one of the smartest economic investments we can make. The policies we advance today will determine whether Ohio families, communities, and businesses can thrive tomorrow. We urge you to restore the Governor's vision for a children's budget, and in doing so, ensure that Ohio's youngest children and their families remain at the center of our state's future.

#### **Groundwork Ohio seeks your support for HEALTH Amendments:**

- •SC0456 (Health: Restore the Kindergarten Readiness Assessment the House removed
- •SC0457 (Health): Remove the House's repeal of existing law that would require Ohio Dept of Medicaid to seek approval for continuous coverage of Medicaid enrollment for Medicaideligible children birth through age three
- •SC0458 (HEALTH): Restore As Introduced investments in Help Me Grow and Infant Vitality.

- •SC0459 (HEALTH): Restore additional \$25M in FY 27 from As Introduced in Child Care Choice Voucher Program.
- •SC0460 (HEALTH): Restore As Introduced language expanding Publicly Funded Child Care Eligibility to 160% FPL for initial eligibility and 300% for continued eligibility
- •SC0461 (HEALTH): Removing restriction of Medicaid reimbursement for doulas to only 6 counties.
- •SC0572 (HEALTH): As introduced version restore child tax credit.

Thank you for your time and your commitment to Ohio's children. I welcome any questions you may have.

#### **Resources and References:**

- Attached to this testimony is a copy of Groundwork Ohio's comprehensive Budget Priorities for FY 26 & 27.
- Attached to this testimony is a copy of the polling memo that is the source for all poll data used in this testimony. To view additional polling data, visit <a href="https://www.groundworkohio.org/poll">www.groundworkohio.org/poll</a>.
- To explore the full findings on how child care challenges are impacting Ohio's economy and workforce, view the full <u>Untapped Potential in Ohio report here</u>.
- To learn more about the data sourced in this testimony on the needs of young children and families, view Groundwork Ohio's <u>Early Childhood Data Dashboard 2025</u>.
- Attached to this testimony is a copy of the Columbus Dispatch Article "The American Dream in Ohio depends on stronger Buckeye families"

# **Key Budget Priorities for FY2026-7**



## **Groundwork Ohio's Policy Roadmap**

### Amended Substitute House Bill 96 - Pending in the Ohio Senate

The Ohio House has passed a version of the state operating budget, House Bill 96, that slashes essential funding for early childhood programs. The Governor's original budget proposal included critical investments in child care, maternal and infant health, and early learning.

We are asking the Ohio Senate to reinstate the Governor's proposed funding levels by doing the following:

- 1 Make work pay for working families with young children.
  - RESTORE publicly funded child care eligibility to 160% of the Federal Poverty Level.
  - RESTORE the Child Care Choice Voucher program to \$75M in FY26 and \$150M in FY27.
  - RESTORE the proposed refundable Child Tax Credit of up to \$1,000 per child under age 7.
- Improve health outcomes for moms and babies.
  - RESTORE \$22.5M in proposed investment in Home Visiting, an evidence-based program.
  - RESTORE the originally proposed infant vitality funds to \$7.5M each fiscal year.
  - RESTORE existing law requiring multi-year continuous Medicaid enrollment for babies ages 0-3 championed by House leaders last budget cycle.
  - STOP restrictions on the use of doula services to Medicaid eligible women.
  - RESTORE funding for the Lead Safe Home and Lead Abatement programs within the Ohio Department of Health.
  - RESTORE funding for tobacco prevention programming.
- Support quality early learning experiences that prepare children for Kindergarten.
  - RESTORE requirements to integrate the science of reading in early learning.
  - RESTORE additional funding for the Governor's Imagination Library.
  - RESTORE the Kindergarten Readiness Assessment—the only tool the state has to understand the impact of early childhood experiences for every child.









#### **MEMORANDUM**

TO: INTERESTED PARTIES

FROM: NEIL NEWHOUSE/JARRETT LEWIS/TOMMY DOW

**PUBLIC OPINION STRATEGIES** 

CC: LYNANNE GUTIERREZ, PRESIDENT & CEO, GROUNDWORK OHIO

SUBJECT: OHIO STATEWIDE SURVEY: KEY FINDINGS

**DATE: JANUARY 23, 2025** 

On behalf of Groundwork Ohio, Public Opinion Strategies completed a statewide survey of 800 registered voters and an oversample of 484 parents with children ages five and younger in Ohio. The survey was conducted December 5-15, 2024, and has a credibility interval of  $\pm 3.95\%$  for the registered voter sample and  $\pm 5.08\%$  for the parent oversample.

#### **KEY FINDINGS**

1. The economic issues faced by Americans over the last several years have hit parents of young children especially hard.

Approximately one-half of Ohioans (51%) and parents with children five and younger (44%) rate their own financial situation as only fair or poor. And, over a third of parents with children five and younger (34%) share they have been having serious problems paying their rent or mortgage. Nearly half of parents with children five and younger (47%) share they are having serious problems paying their credit card bills over the last few months.

#### 2. For Ohio parents, child care is difficult to access and afford.

Almost half of parents with children five and younger (49%) believe child care is difficult to find. Further, most parents with children five and younger (51%) believe the availability of high quality and affordable child care has gotten worse over the last few years. When it comes to the cost of child care, these parents (73%) overwhelmingly believe child care is expensive.

3. To most Ohioans – especially parents – the linkage between child care and the state's economy is undeniable.

Overwhelming majorities of Ohio voters (86%) and parents with young children (90%) agree that increasing access to high-quality childcare will help strengthen the state's economy and workers. Similarly, majorities of voters (53%) and parents (79%) agree that the labor shortages permeating throughout the state are in part due to the lack of quality and affordable child care.

PUBLIC OPINION STRATEGIES Page 1

#### 4. Problems with child care are having an economic impact.

More than 4-in-10 working parents with children five and younger (44%) say they have had to miss work, leave early or lose focus because of challenges with child care. Further, more than one-third of working parents (41%) say they have lost more than five days of work in the past two years because of a lack of child care. And, among all Ohio working parents, nearly 5-in-10 (49%) have cut back on their work hours to care for their children. Putting this into real numbers using Census data, this means over 1,000,000 working parents in Ohio have cut back their work hours.

#### 5. There is a clear connection between the state's economy and child care.

When parents without child care are asked what would they be able to do if they had it, the dominant responses are "work more" and "get a job." And, parents who have child care agree that child care allows them to "work more." Further, more than 6-in-10 Ohio moms with children five and younger who do not currently work full time (61%) say they would go back to work if they had access to high quality and affordable child care. Clearly, parents believe that child care allows them to work more, provide for their families and be productive members of Ohio's economy.

6. With support extending cross party lines, Ohio voters are overwhelmingly in favor of increasing funding for child care "in order to increase access, affordability, and quality."

Nearly 9-in-10 Ohioans (84%) believe the state should increase funding for child care to increase access, affordability, and quality. Notably, this support includes 77% of Republicans, 84% of Independents, and 92% of Democrats.

#### 7. The support for a Child Tax Credit is wide-ranging and deep.

By an overwhelming margin, Ohio voters (84%) support creating a Child Tax Credit to provide tax relief to working families, with 83% of Republicans, 78% of Independents, and 94% of Democrats in favor of the relief efforts. The support of these voters edges even higher (87%) when they are informed that both Biden and Trump support expanding the Child Tax Credit.

#### **BOTTOM LINE**

The survey results paint a clear picture: Ohio's child care crisis is hitting families hard and voters across the political spectrum recognize both the problem and potential solutions. Parents of young children are facing significant financial strain, with many struggling to pay basic expenses while simultaneously dealing with the high costs and limited availability of quality child care. The overwhelming, bipartisan support for both increased child care funding and a Child Tax Credit suggests Ohioans understand this isn't just a family issue – it's an economic one. There is a clear mandate for state action on child care accessibility and affordability.

Looking ahead, state policymakers have an opportunity to address these challenges with strong public backing. The cross-party consensus on solutions, combined with voters' understanding of child care's role in economic growth, creates a favorable environment for policy change. Ohioans clearly understand and see the need for child care from an economic standpoint. They make the link between increasing access to child care and improving the state's economy – and they support policy changes to make that increased access a reality.

PUBLIC OPINION STRATEGIES Page 2

# The Columbus Dispatch

**GUEST** | **Opinion** *This piece expresses the views of its author(s), separate from those of this publication.* 

# The American Dream in Ohio depends on stronger Buckeye families | Opinion

A staggering one in six Ohio children are poor, according to the 2024 State of Poverty in Ohio, putting the state in the top third of states for child poverty.

**Brad Wilcox and Michael Pugh** Guest Columnists

March 8, 2025, 5:30 a.m. ET

Brad Wilcox is a distinguished university professor of sociology at the University of Virginia, nonresident senior fellow at the American Enterprise Institute, and lead author of a new Center for Christian Virtue report, Hope and a Future. Center for Christian Virtue is based in Ohio.

Michael Pugh is a research associate at the American Enterprise Institute.

The "American dream" is a "better, richer and happier life for all our citizens of every rank," wrote the historian James Truslow Adams over a century ago.

Yet with ordinary Americans succumbing to "deaths of despair" at alarming rates, rates of happiness hitting record lows and way too many men and women stuck in poverty across generations, it's probably no surprise that a growing share of Americans say the Dream is out of reach.

A 2024 Wall Street Journal poll found that only one in three U.S. adults believe the American dream still "holds true" compared to half of men and women in 2012.

Need a break? Play the USA TODAY Daily Crossword Puzzle.

This could not be more relevant for the state of Ohio.

Ohio ranks third in deaths of despair — deaths related to suicide, drug overdoses or alcohol poisoning. A staggering one in six Ohio children are poor, according to the 2024 State of Poverty in Ohio, putting the state in the top third of states for child poverty.

And the state ranks in the bottom quintile for hope, according to the Brookings Institute.

These are long odds for too many Buckeyes who aspire to a "better, richer and happier life."

## Marriage, family stability, fertility hope and the future

A new report from the Center for Christian Virtue and the Institute for Family Studies argues that one essential element to reviving the American dream in Ohio is strengthening and stabilizing family life across the state.

The Hope and a Future report finds that Ohio ranks 29th when it comes to its Family Structure Index, which is based on state trends in marriage, family stability and fertility.

**Opinion:** Trump's administration expanding attacks on our religion rights a dangerous sign

For instance, just 47.6% of Ohio children are raised in intact, married families for the duration of childhood, well below the national average of 53%. This below-average standing matters because strong, stable families are a powerful predictor of upward mobility.

Harvard economist Raj Chetty and his colleagues at Opportunity Insights have underscored the connection between upward mobility — the classic rags-to-riches trajectory from childhood into adulthood — and family structure.

His 2014 study found that the strongest community-level predictor of mobility for poor kids was the share of two-parent families in a community. In other words, poor

children have a markedly higher chance of achieving the American dream if they grow up in places with a higher share of two-parent families.

Chetty's work could not be more relevant for the Buckeye State.

The share of children living in a single-parent home varies a great deal across the state. It ranges from 5% in Holmes County and 8% in Geauga County to 34% in Lucas County and 38% in Cuyahoga County.

## How two-parents households connect to the American dream

After analyzing Chetty's Opportunity Insights data, we found that these regional trends are tied to the average adult household income of children raised in poor households (whose parental income was below the 25th percentile) across Ohio.

For poor children born in 1992, as the share of two-parent households within a county increased, their average household income as adults also rose. Specifically, poor children who grew up in Ohio counties with lots of single-parent families only reached about the 40th percentile in household income as young adults. However, poor children who grew up in communities where 85% or more of the households were headed by two-parent families typically reached above the 50th percentile as young adults.

For example, poor children raised in Holmes or Putnam County, marked by high numbers of two-parent families, reached close to the 60th percentile as 27-year-olds, compared to poor children raised in Cuyahoga or Hamilton County, which have more single-parent families, who reached just under the 40th percentile at the same age.

Our View: Another Intel delay is alarming. The project could still transform Ohio.

In other words, children born poor in Holmes or Putnam County had above-average household incomes as adults. These figures suggest the American dream is much more alive in communities across Ohio where strong and stable families are the clear norm.

So, Chetty's data is clear.

Two-parent households are essential for upward mobility in Ohio.

The problem, though, is that too many communities across the state do not have enough of the kind of strong and stable families that foster this kind of economic mobility — not to mention minimizing deaths of despair and maximizing happiness for ordinary men and women.

That's because the Buckeye State is below the national average when it comes to family stability.

# What should Ohio leaders do and why DeWine's propose child tax credit matters

The challenge, then, facing Ohio leaders is to take steps to strengthen marriage and family life across the state.

Policymakers should ask public schools to teach the Success Sequence (which underlines the importance of education, work and marriage), get behind Gov. Mike DeWine's proposed child tax credit designed to help ease the financial challenges facing working- and middle-class families and ensure that state policies do not penalize marriage.

And religious, educational and civic leaders should do more to foster the values and virtues that make for stable and happy marriages and families across the state. In other words, if they are intent on reviving the fortunes of the American dream in Ohio, public and private leaders must work together to elevate the faltering fortunes of the family in the Buckeye State.

Brad Wilcox is a distinguished university professor of sociology at the University of Virginia, nonresident senior fellow at the American Enterprise Institute, and lead author of a new Center for Christian Virtue report, Hope and a Future. Center for Christian Virtue is based in Ohio.

Michael Pugh is a research associate at the American Enterprise Institute.

What do you think of this column? Let us know in a letter to the editor.