



Written Testimony Regarding HB110
House Finance Health and Human Services Subcommittee
March 2, 2021
Graham Bowman, Ohio Poverty Law Center

Chair Roemer, Ranking Member West, and members of the House Finance Subcommittee on Health and Human Services,

My name is Graham Bowman. I am an attorney with the Ohio Poverty Law Center. The Ohio Poverty Law Center’s mission is to reduce poverty and increase justice by protecting and expanding the legal rights of Ohioans living, working, and raising their families in poverty. Thank you for the opportunity to provide written testimony regarding the FY22/FY23 Job and Family Services budget in HB110.

Our testimony will focus on ways we can ensure that Ohio’s TANF dollars are used to provide essential support to Ohio’s most needy families by investing in core services while also avoiding contributing to chronic under spending in the program.

TANF is an important source of funding for essential anti-poverty programs

The Temporary Aid for Needy Families (TANF) program is a federal anti-poverty program that provides a substantial block grant that is combined with a state maintenance of effort contribution that collectively funds a wide array of programs for low-income working families. In 2019, Ohio received \$726 million in federal funding that was matched by an additional \$390 million in state funding.¹

TANF dollars are used to fund essential safety-net programs such as cash assistance (Ohio Works First), one-time emergency assistance (Prevention, Retention and Contingency), child care, food assistance, and housing. In addition to these essential services, TANF dollars are typically earmarked for a variety of other programs through the Governor’s Office of Faith Based Initiatives and other legislative priorities.

Ohio historically under spends its annual TANF allocation despite the program’s versatility. As a result, the state has built up a large reserve of unspent funds. During the FY2020-21 budget the Department of Job and Family Services disclosed that its reserve, called a “sustainability fund,” had grown to \$595 million. Those funds were re-allocated back towards important services such as child care and were projected to be depleted by FY23. However, the underlying issues that lead to chronic under spending year-after-year remain.

¹ Center on Budget and Policy Priorities, Ohio TANF Spending, <https://bit.ly/3e3y6AK>

Few TANF dollars should go unspent during a crisis.

Make further investments in the Prevention, Retention, and Contingency program

PRC is a county administered TANF-funded program that provides one-time emergency assistance to families with children to address unexpected financial needs that could impact their income. Early in the pandemic, county JFS offices amended their PRC programs to make assistance more accessible. Because the programs are administered locally, they were able to quickly change course to meet the needs of their communities without waiting for state or federal programs to come online. However some counties, like Franklin, ran out of PRC dollars quickly.

Despite PRC's importance in providing quick and flexible relief, legal aid programs see discrepancies in quality across counties. Some counties engage in robust planning processes for their PRC plans while others do not seem to provide any benefits at all.

Hamilton County:

Hamilton County's PRC plan is a good example of a robust plan that has changed in response to community needs. In years past, Hamilton County, like many other counties, narrowed their PRC plan and what it would cover. However, as part of a county-wide discussion on childhood poverty that started a few years ago, they engaged in numerous and lengthy meetings with members of social service agencies that serve the county where they laid out their plans and got feedback. As a result, Hamilton County has a robust PRC plan that will cover up to \$3,000 of a wide variety of needs that includes rent and utility payments, car repairs, furniture and baby items for expectant parents, and school uniforms.

We believe that all counties should have the resources to implement high quality PRC programs like Hamilton County.

Request #1. Allocate an additional \$50 million from Ohio's TANF funds for one-time emergency assistance through the Prevention, Retention, and Contingency program. This could provide one-time payments of \$500 to 100,000 families with immediate, emergency needs.

Increase the Ohio Works First benefit and continue to support the Housing Now for Homeless Families Program

The Ohio Works First (OWF) cash grant primarily supports children that are living with a guardian who is not their parent. However, the benefit amounts are meager and insufficient;

Ohioans who receive OWF payments cannot depend on them to provide support. The situation for many Ohio families has become dire due to the pandemic, as many Ohioans are still unemployed and finding themselves on the edge of a financial cliff. TANF funds are meant to go to poor families in their time of need. Increasing the OWF cash grant amount by \$100 per month is the easiest way to get assistance directly into the hands of needy families without wasting resources on creating or expanding complicated government programs.

Request #2: Increase the basic OWF cash grant by a minimum of \$100 per month, to an average payment of \$311 a month per recipient, to better support the health and safety of children and families in the pandemic recession.

Housing Now For Homeless Families

In August 2020, Governor Mike DeWine invested \$15 million in federal Temporary Assistance for Needy Families (TANF) funding to provide homeless prevention and rapid rehousing services for families with children. The Housing Now for Homeless Families program is designed to utilize federal TANF funds to prevent children and families from becoming homeless and to quickly move homeless families into permanent housing. Local networks that include homeless services agencies, faith-based organizations, community nonprofits, county job and family services offices, and other local groups are already using rapid rehousing and homeless prevention strategies to fight family homelessness, but they lack the resources necessary to address the scale of the problem.²

Request #3: Allocate \$25 million annually from Ohio’s TANF surplus for the “Housing Now for Homeless Families” program to quickly rehouse homeless children and families and provide much-needed stability.

Thank you for the opportunity to provide written testimony about these important issues facing Ohio’s Temporary Aid for Needy Families Program.

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² Coalition on Homelessness and Housing in Ohio, Housing Now for Homeless Families, <https://bit.ly/383QDcq>