



## Shared Prosperity, Thriving Ohioans

### Testimony on HB 110 before Senate Health Committee

Will Petrik

Chair Huffman, Ranking Member Antonio and members of the committee, my name is Will Petrik. I am the Budget Researcher with Policy Matters Ohio, a nonprofit, nonpartisan organization. Our mission is to create a more prosperous, equitable, sustainable and inclusive Ohio. Thank you for the opportunity to testify on House Bill 110.

No child should have to go to bed hungry in Ohio, and no family should have to lose their foundation of economic security as a result of the pandemic recession. We must work together to ensure that all Ohioans, no matter where they live or what they look like, have stability, security and basic human dignity.

To ensure all Ohioans fully recover from the pandemic, policymakers must prioritize amendments to the Bill that will:

- Ensure all Ohioans can support their families and participate in the economy.
- Help Ohioans through the deepest crisis since the Great Depression.
- Prevent homelessness and stabilize families experiencing deep poverty.

The pandemic has upended life in Ohio. Hundreds of thousands of Ohioans have been laid off. Many are working hard to put food on the table, pay the rent and afford the basics, but still aren't paid enough to make ends meet. The pandemic has hit Black Ohioans the hardest due to years of discrimination and policy choices that excluded Black Ohioans from building wealth and financial security and from education and housing opportunities. For too long, certain Ohio lawmakers have chosen to shift public resources away from Black and brown communities, from poor and working class Ohioans, and toward the wealthy and well-connected.<sup>1</sup>

Policy Matters Ohio has several suggestions for how lawmakers can stabilize families, build a strong recovery and expand opportunity to more Ohioans.

#### **Expand opportunity: Help more parents participate in the workforce**

State lawmakers must ensure all Ohioans can support their families and participate in the economy. The proposed budget takes a small step in making child care more affordable and accessible.<sup>2</sup> We hope lawmakers will take a larger step by making child care affordable for all who need it. Right now, a single mother of two earning \$15/hour spends over half her income on child care, but makes too much to qualify for public support. **State lawmakers can make child care affordable for her by expanding initial eligibility for publicly funded childcare from 130% to 200% of the federal poverty level.** This would help more mothers participate in the workforce, and better prepare our children for the future. When families and communities thrive, we all benefit from a stronger economy and a more prosperous state.

<sup>1</sup> Patton, Wendy, "Ohio's tax structure and racial disparities," Policy Matters Ohio, February 11, 2021, <https://bit.ly/3q6RMGw>.

<sup>2</sup> "Investing in Ohio's Future: Thriving Economy," Ohio Office of Budget and Management, Executive Budget Factsheets, accessed on March 1, 2021, <https://bit.ly/3sUQINh>.

## Ensure all Ohioans can support their families

All children need a safe, stable environment that supports their growth and development. Yet poverty, racism and the ongoing opiate addiction crisis have resulted in many Ohio children enduring the trauma of separation from their family of origin. Children in the child welfare system who are placed with relatives (called kinship caregivers) receive far less financial support from the state of Ohio than children placed in a licensed foster care setting.

We remain concerned that the new Kinship Support Program does not address the needs of children and kinship families. The new program was designed without input from kinship caregivers and, like the current system, is unfair and inequitable for children and kinship families.<sup>3</sup> Table 1 illustrates the disparity between the monthly support offered under the Kinship Support Program to kinship care providers and foster parents in Cuyahoga County and Scioto County.

The Kinship Support Program is still unfair and inequitable					
Children living with family members receive less state support than children in foster care					
# of Children	County	Current monthly support for approved kinship caregivers	Monthly support under the <i>Kinship Support Program</i>	Minimum monthly support for licensed foster parents	Maximum monthly support for licensed foster parents
1	Cuyahoga	\$302	\$310	\$624	\$2,619
2	Cuyahoga	\$412	\$620	\$1,248	\$5,238
1	Scioto	\$302	\$310	\$836	\$4,258
2	Scioto	\$412	\$620	\$1,672	\$8,516

*Source: Current monthly support for approved kinship caregivers is based on Ohio Works First (OWF) payment standards as of January 1, 2020, Ohio Department of Job and Family Services (ODJFS), <https://bit.ly/2SSNWT3>. Minimum and maximum monthly support for licensed foster care providers are estimates based on [SFY 2020 foster care per diem rates](#), from Bret Crow, Office of Communications, ODJFS. Monthly kinship support based on \$10.20 per diem, Kinship Support Program Frequently Asked Questions, ODJFS, <https://bit.ly/2NNu7Ok>*

Children placed with approved relative caregivers (kinship caregivers) have a right to the same level of state financial support as children placed with foster parents. **State lawmakers should adhere to federal law and allocate additional resources to provide these children and their kinship caregivers the security and stability they deserve.**

We are pleased the House budget partially restored the kinship caregiver program to \$10 million per year. We encourage the Senate to fully restore this program to \$15 million per year to help kinship caregivers with short-term expenses.

## Help Ohioans through the deepest crisis since the Great Depression

Research shows that living in deep poverty compromises children's ability to grow and negatively impacts their earnings, income and health as adults.<sup>4</sup> Funding the health and well-being of kids is savings in the future. Cash assistance (Ohio Works First: OWF), emergency food, homeless prevention services, and one-time emergency assistance (Prevention, Retention, and Contingency: PRC) all support health and safety of children and families with very low incomes. OWF and PRC provide direct cash assistance to help with food, safe housing, health care and other basic necessities. Food banks provide emergency relief by helping Ohioans in need with food, personal care items and household cleaning supplies. Unemployment compensation helps Ohioans make it through periods of financial insecurity.

<sup>3</sup> Petrik, Will, "Ohio is still short-changing kids and caregivers," Policy Matters Ohio, January 21, 2021, <https://bit.ly/3a6Sfbz>.

<sup>4</sup> "A roadmap to reducing child poverty," Consensus study report highlights, National Academies of Sciences, Engineering and Medicine, February 2019, <https://bit.ly/3aFTpwj>.

More than a year after the pandemic struck, far too many claimants for unemployment compensation (UC) are still enduring lengthy waits to receive benefits they are due. Yet according to ODJFS, staffing to handle UC has plateaued. The budget must ensure that UC claims are processed promptly.

### **Prevent homelessness and stabilize families experiencing deep poverty**

Lawmakers can prevent homelessness and help stabilize Ohioans who are experiencing an emergency now by **increasing the basic OWF cash grant by a minimum of \$100 a month**. This change would mean an average payment of \$314 a month per recipient.<sup>5</sup> The current average payment of \$214 is not enough to pay for basic necessities for a family. The increase will help more families get by during the recession and pay for basics that support the health and safety of children. Lawmakers should also **allocate \$50 million for one-time emergency assistance** through the TANF program. The TANF local Prevention, Retention, and Contingency Programs could provide one-time payments of \$500 to 100,000 families with immediate, emergency needs and move money directly into Ohio's economy when families spend it on car repairs, at the grocery store or on school supplies.

No Ohioan should have to worry about where their next meal will come from or whether they have a roof over their head. Lawmakers can reduce the threat of homelessness and stave off all the potential harm such periods of instability cause children by **allocating \$25 million annually within TANF for the "Housing Now for Homeless Families"** program. This program quickly rehouses homeless children and families. By setting aside **at least \$45 million per year for Ohio's food banks to deliver hunger and poverty relief to over 2 million Ohioans**, lawmakers will make sure food isn't a barrier to success at school, at work, or for those providing care services at home. This funding will help build capacity for local front-line hunger relief organizations that have lost volunteer services due to the pandemic. It will give food banks the means to make emergency purchases for families in need, including food, personal care items and household cleaning supplies.

**Ensure Ohioans who are struggling can access support to live with security and stability.** We have heard that some lawmakers are considering including Senate Bill 17 in the budget. This legislation would hurt Ohio's recovery from the recession, make children, adults, and families less stable and secure, and harm Ohioans who have been laid off through no fault of their own. The proposed legislation would make it harder for our neighbors to access the Supplemental Nutrition Assistance Program (SNAP), which helps keep families fed during difficult times, and Medicaid, which helps people get the health care they need. We need a strong recovery for all Ohioans, and SB 17 would move Ohio in the opposite direction.

More Ohioans are struggling with hunger and insecurity due to the pandemic and the recession. Instead of more tax giveaways to the wealthiest Ohioans, state lawmakers need to ensure that the wealthiest Ohioans contribute to make sure all Ohioans can recover and thrive. We request that the Ohio Senate direct more resources to families with low-wages by making the state EITC refundable.

Thank you for your commitment to building an Ohio where we all can share in the prosperity our work helps create. Thank you for the opportunity to testify today and please don't hesitate to reach out to me directly if you have questions or concerns about the content of my testimony.

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<sup>5</sup> In January 2021, the average Ohio Works First payment per recipient was \$214, "Ohio Works First," Ohio Department of Job and Family Services, accessed on April 30, 2021, <https://bit.ly/3ueaclj>.