

Basic Needs

NOW IS THE TIME TO STABILIZE FAMILIES IN CRISIS

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Everyone, no matter where they live or what they look like, needs stability and security. The public health crisis has upended the lives of all Ohioans and slowed down our economy. This moment demands that state lawmakers make sure all Ohioans can put food on the table, pay the rent, and get basic necessities like toilet paper and medication as we all do our part to flatten the curve of COVID-19.

Forty percent of Americans don't have enough savings to cover a \$400 emergency.¹ The economic slowdown puts them most at risk for financial hardship. This paper examines what the DeWine Administration has done and can do to help stabilize families in crisis by using funds from the federal Temporary Assistance for Needy Families (TANF) program.

As Governor DeWine ordered nonessential businesses to close and Ohioans to stay home, 855,197 Ohioans filed unemployment claims between March 15 and April 11.² That's more unemployment claims in the last four weeks than in the last two years. Foodbanks across Ohio are providing emergency assistance to a record number of people.³

One of the main purposes of TANF is to keep families together in a crisis. The DeWine Administration has taken some immediate steps to get resources to families and community organizations who need it most.

On April 13, Governor DeWine signed an executive order authorizing new expenditures of TANF funds. The order will provide up to \$4.7 million to support the Ohio Association of Foodbanks with food and personal hygiene necessities for families in need. Of those funds, \$1 million will be dedicated to buying surplus commodities, such as milk and cheese, from Ohio farmers to meet the needs of foodbanks across the state. The order also allocated an additional \$1 million to the Coalition on Homelessness and Housing in Ohio (COHHIO) to ensure homeless shelters have resources to assist in homelessness prevention, rapid rehousing, and securing shelter for homeless families.⁴

The Ohio Department of Job and Family Services (ODJFS) also made an additional \$10 million in TANF available for the Prevention, Retention, and Contingency (PRC) Program.⁵ PRC offers one-time, emergency assistance to help low-income parents pay for immediate

¹ Dealing with Unexpected Expenses, from "Report on the Economic Well-Being of U.S. Households in 2018 - May 2019," Board of Governors of the Federal Reserve System, <https://bit.ly/3bGrUdG>

² Shields, Michael, "Out like a lion? March job report closed the books too early to see COVID-19's toll," Policy Matters Ohio, April 17, <https://bit.ly/2VzlcPe>

³ VanAllen, Amanda, "Food banks seeing record number of people in need," ABC News 5 Cleveland, April 1, 2020, <https://bit.ly/3bHp2xd>

⁴ Governor Mike DeWine, "Executive Order 2020-13D: Directing Expenditure of Fiscal Year 2020 TANF funds by the Ohio Department of Job and Family Services," April 13, 2020, <https://bit.ly/2XB5WFl>

⁵ "ODJFS Coronavirus (COVID-19) Response: Frequently Asked Questions, Ohio Department of Job and Family Services (ODJFS), April 8, 2020 <https://bit.ly/3abERLh>

needs, such as clothing, rental assistance, auto repairs, and training needs.⁶ The \$1.5 million that was made available through PRC in Franklin County was claimed in just 24 hours.⁷ More than 1,500 low-income families applied for PRC in less than two days in Montgomery County, where \$1.2 million was made available.⁸

This highlights the extreme need for immediate, emergency assistance for low-income families all across the state. While the PRC allocation and the Governor's Executive Order are positive initial steps, much more is needed to stabilize families in this moment of crisis.

While federal stimulus bills include elements to support families during these trying times, much of the federal funds have not gotten to families with immediate emergency needs. ODJFS has been slow to process unemployment claims and set up an unemployment compensation system for independent contractors, self-employed workers, and low-wage workers who have lost their jobs.⁹

These Ohioans need relief now. According to ODJFS, Ohio had over \$545 million in the "TANF Sustainability Fund Balance" at the start of State Fiscal Year 2020.¹⁰ These funds can be used to provide support for low-income families with immediate, emergency needs.

Below are several steps ODJFS can take to help provide economic security for our state's most vulnerable families in this moment of crisis.

1. **Stabilize families in crisis.** Ohio can support families facing an emergency by offering one-time assistance through a COVID-19 PRC program. ODJFS can allocate \$250 million among the counties to provide one-time payments up to \$500 to help a minimum of 500,000 families with immediate, emergency needs. This will also move money directly into Ohio's economy.
2. **Ensure families have healthy food, stable housing, health care and other basics.** Ohio Works First provides direct cash assistance to families facing insecurity. ODJFS has the authority to:
 - o Increase the Ohio Works First (OWF) cash grant by a minimum of \$100 a month, to an average payment of \$303.58 a month per recipient, to provide additional assistance to support the health and safety of children.¹¹
 - o Re-enroll in OWF all Ohio families who have been removed from the program due to sanctions or the three-year time limit.
 - o Auto-enroll in OWF all eligible Ohio families who are enrolled in SNAP.
3. **Do no harm.** This pandemic is having a disproportionate impact on Black and brown Ohioans and families experiencing poverty. ODJFS can treat all Ohioans with dignity by ensuring that no one is removed from the cash assistance program during the health and economic crisis. We encourage ODJFS to:
 - o Suspend work requirements for OWF recipients.

⁶ "Prevention, Retention, Contingency: Fact Sheet," ODJFS, <https://bit.ly/2XCiZui>

⁷ Kovac, Marc, "\$1.5 million in Franklin County coronavirus assistance exhausted in 24 hours," Columbus Dispatch, April 3, 2020, <https://bit.ly/2xohsct>

⁸ Balduf, Jen, "More than 1,500 apply in less than 2 days for Prevention, Retention, Contingency program," Dayton Daily News, April 9, 2020, <https://bit.ly/3erMAIm>

⁹ Schiller, Zach, "Lag in setting up benefit system for jobless workers," Policy Matters Ohio, April 14, 2020, <https://bit.ly/2V8Ui2G>

¹⁰ The TANF Sustainability Fund Balance refers to a build-up of unspent TANF funds in prior years, "TANF Program Services Framework for SFY 2020-21," ODJFS, <https://bit.ly/2K5a34t>

¹¹ As of May 2018, the average OWF payment per recipient was \$203.58, "Cash Assistance," ODJFS, <https://bit.ly/3eEJhOq>

- Suspend all OWF sanctions for non-compliance with work requirements or other behavioral requirements (such as school attendance).
 - Suspend OWF terminations related to sanctions and time limits.
4. **Rehouse families on the brink of crisis.** Families facing eviction or homelessness are in urgent need of help. Now more than ever, housing is healthcare. Allocating \$35 million to the Homeless Families Assistance Program will help local providers quickly rehouse homeless families to provide much-needed stability. This would address the needs of homeless families and homeless youth in overcrowded shelters and unsafe conditions across the state.

Even as we flatten the COVID-19 curve, we will have a long road to flattening the curve of economic insecurity across the state. These recommendations will help provide a minimum level of security to Ohio's most vulnerable families and their children.