



# TESTIMONY

## MARCH 4, 2021

Shared Prosperity, Thriving Ohioans

### Testimony on HB 110 before House Finance Subcommittee on Health and Human Services

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Chair Roemer, Ranking Member West 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.

We must:

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

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.

The disparities between Black and white Ohioans are not new. Long before COVID-19, Black Ohioans did not have access to the same supports to live healthy, secure lives as their white counterparts. Labor market and health care discrimination also means Black Ohioans and communities of color are paid lower wages and experience poorer health outcomes. On average, Black Ohioans are expected to live five years less than white Ohioans and Black infants die 2.5 times as often as white babies.<sup>1</sup>

These structural challenges are a result of years of segregation, 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>2</sup>

Ohio lawmakers must do more to provide a minimum level of security and stability for children and families with low or no income and for communities of color. Before the pandemic, six of

<sup>1</sup> Bush Stevens, Amy, Akah, Hailey, and Reat, Zach, "State Health Assessment: Ohio 2019," Health Policy Institute of Ohio and Ohio Department of Health, September 9, 2019, <https://bit.ly/3bUYpGB>

<sup>2</sup> Patton, Wendy, "Ohio's tax structure and racial disparities," Policy Matters Ohio, February 11, 2021, <https://bit.ly/3a6RMGw>

Ohio's 10 most common jobs paid too little to feed a family of three without food assistance.<sup>3</sup> Jobs in Ohio pay too little to cover essentials like food, housing, child care and health care. Hundreds of thousands of Ohioans who are paid low wages need more support to give their children a better shot in life.

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>4</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 half her income on child care, but makes too much to qualify for public support. **State lawmakers can change that by making child care affordable** 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.

### **Ensure all Ohioans can support their families**

We are pleased to see more attention to kinship caregivers in this budget, but we are 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>5</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>

The Kinship Support Program is time limited, meaning kinship caregivers can participate in the program and receive monthly payments for nine months (initially, which will later be reduced to six months). While the state hopes that kinship caregivers will use that time to become licensed foster parents, kinship stakeholders and county JFS directors have raised concerns that many kinship care providers aren't interested in becoming licensed as foster care providers.

<sup>3</sup> Shields, Michael, "Working for less 2020," Policy Matters Ohio, May 1, 2020, <https://bit.ly/306oFsk>

<sup>4</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>

<sup>5</sup> Petrik, Will, "Ohio is still short-changing kids and caregivers," Policy Matters Ohio, January 21, 2021, <https://bit.ly/3q6Sfbz>

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 the *D.O. v. Glisson* decision and allocate additional resource to provide these children and their kinship caregivers the security and stability they deserve.** Lawmakers should also remove the time limit for the Kinship Support Program.

### **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>6</sup> 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.

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

Ohio can prevent homelessness and help stabilize Ohioans who are experiencing an emergency now. We ask that lawmakers **increase the basic OWF cash grant by a minimum of \$100 a month**, for an average payment of \$311 a month per recipient. The increase will help more families get by during the pandemic recession and better 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. State lawmakers should **allocate \$25 million annually within TANF for the "Housing Now for Homeless Families" program** to quickly rehouse homeless children and families and provide much-needed stability. Lawmakers should also **prioritize at least \$45 million per year for Ohio's food banks to deliver hunger and poverty relief to over 2 million Ohioans**. 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.

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

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<sup>6</sup> "A roadmap to reducing child poverty," Consensus study report highlights, National Academies of Sciences, Engineering and Medicine, February 2019, <https://bit.ly/3qFTpwi>