



Chair Roemer, Vice chair Thomas and ranking member Troy,

My name is Deacon Nick Bates and I am here today to stand in support of the Governor's proposed child tax credit of up \$1,000 for children 6 and under. The Hunger Network in Ohio (HNO) is a faith-based ministry working to end hunger by addressing the root causes of poverty in Ohio. Our network collaborates with congregations, food ministries, inter-faith partners, non-profits, and other community and social ministry organizations throughout Ohio.

The Governor's proposed tax credit will reduce childhood hunger and poverty, improves dignity to hardworking families, and support middle income families just beginning to grow.

The impacts of childhood hunger and poverty

Childhood poverty and hunger has long-term negative consequences on our population. The American Psychological Association finds, "living in poverty is associated with differences in structural and functional brain development in children and adolescents."¹ Simply put, children growing up in poverty are forced to operate under increased and unhealthy amounts of stress related to basic needs. This often leads kids to struggle with learning barriers, life-long health issues, and other hurdles to long-term economic stability and success.

Hunger is going up in Ohio. The COVID-19 pandemic re-shaped our economy and the disruption has left many struggling in its wake. Ohio saw an 11.3% increase in the rate of food insecurity for Ohioans last year. (11.5% to 12.8%) and the U.S. saw an 8.9% increase (11.2% to 12.2%)² in food insecurity. Not only is our food insecurity rate higher than the national average, we are increasing at a faster rate. While food-at-home prices only rose 1.2% last year, the impact of the 5.0% inflation rate in 2023 on food-at-home, and 11.4% in 2022 have a lasting negative impact on our economy.³ To further emphasize the reality of children being born in poverty or near poverty conditions is the fact that over half of all children born in Ohio are born on Medicaid.⁴ This child tax credit will help put food on the table for many families with young children, stemming the tide of the negative impacts of hunger. Research demonstrates that Child Tax Credits are an effective tool at reducing childhood hunger. For example, a recent temporary federal expansion reduced childhood food insecurity by 19%.⁵

A Child Tax Credit helps strengthen young, middle-class families

Food insecurity is not static position in life. A family might struggle to put food on the table one month, relying on our food pantries a few times, and then regain a little bit of stability. I have

¹ May 2024, <https://www.apa.org/topics/socioeconomic-status/poverty-hunger-homelessness-children#:~:text=The%20impact%20of%20poverty%20on,due%20to%20local%20funding%20policies>.

² <https://www.ers.usda.gov/publications/pub-details?pubid=109895>

³ <https://www.ers.usda.gov/data-products/food-price-outlook/summary-findings>

⁴ https://medicaid.ohio.gov/wps/wcm/connect/gov/030362e3-746a-4192-a96e-8f9388362d27/ODM-Annual-Report-SFY19.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE.Z18_M1HGGIK0N0J000QO9DDDDM3000-030362e3-746a-4192-a96e-8f9388362d27-nJVe487#:~:text=%E2%80%A2,Medicaid%20receive%20behavioral%20health%20services.

⁵ <https://frac.org/blog/expanded-child-tax-credit-and-earned-income-tax-credit-reduced-hunger>

coached kids through our neighborhood rec. center in soccer, led scouts, led youth groups, volunteered with our YMCA swim team and much more. These families come from a variety of economic positions. Some have experienced hunger, others have not. One thing is clear hunger and poverty are not a static position and there is no single face of hunger. Hunger exists in our schools, in our churches and in households where you might not expect it to exist. Regardless of their status with food insecurity, all of the families I have encountered would have benefited from this child tax credit and immediately put the money to work in our local economy strengthening their economic position.

Many middle-class Ohioans are one job cut, one broken furnace, one car accident away from being in a food pantry line. 70% of all Ohio taxpayers reported income below \$65,000 for tax year 2022, and 81% are below \$95,000.⁶ While this Child Tax Credit is a game changer for those struggling to keep their children fed, it also a great amount of economic relief for those with middle class incomes just barely keeping their heads above water.

Focusing on Young Children:

I have two children, 9 and 14. I went back and checked our old tax returns. While my kids are now too old for us to qualify for this tax credit, we would have qualified for the full \$1,000 for most years, and only phasing down toward the end of the “early years”. But I am okay with that, because as our youngest child entered our local elementary school, my salary was up a bit, and so was my wife’s, and our expenses around daycare mostly disappeared.

As a parent, it is clear that the first 6 years are tough from an economic perspective. In addition to the rising costs of childcare, there are many other expenses that families run into at this time. Extra doctor visits, baby formula, the constant shifting of clothes and car seats. One of the constant questions I am asked from dads with 0–6-year old’s is if they ever stop getting sick. If you have small child, you know they are pretty gross. They haven’t learned yet that while sharing of toys is good, sharing boogers and germs is not. According to the American Academy of Pediatrics, the average kid in childcare can experience 10-12 minor respiratory infections a year.⁷ That is a lot of missed time from work for those parents who might only be earning \$40,000, and barely scrapping by. I tell my friends with young kids, that your child will learn to wash their hands and the constant colds and streams of snot will become less frequent.

As a person of faith, we must prioritize our neighbors struggling to make ends meet, and improve dignity and opportunity for low- and middle-income families so that children have the opportunity to thrive. This \$1,000 child tax credit for children 6 and under is smart tax policy, a strong tool in our fight to address childhood hunger, and an excellent way to build up a vibrant middle class. If the goal is to build an Ohio that is the best place to raise a family, this policy is the cornerstone of that effort.

Thank you and I’d be happy to answer any questions.

⁶ <https://tax.ohio.gov/researcher/tax-analysis/tax-data-series/tds1>

⁷ <https://share.upmc.com/2023/05/daycare-syndrome/#:~:text=My%20Child%20Gets%20Sick%20Every,kids%20ages%20six%20and%20above.>