



TESTIMONY BEFORE HOUSE FINANCE COMMITTEE
MARCH 15, 2007

Good Morning, Chairman Calvert and members of the Committee. My name is Mary Wachtel and I am the Director of Public Policy for Voices for Children. Voices for Children believes that building a greater Ohio starts with greater kids.

I am here also as a convener of the Ohio Children's Agenda, a collaborative effort of 14 organizations –collectively representing more than 100 child-serving agencies and organizations across the state. It is a call to action and a list of priorities for the issues of public policy that most affect our children: K-12 education, economic security for families, child behavioral and physical health, juvenile justice, child welfare, and early care and education. Attached to my testimony is a side-by-side analysis of how the recommendations in the Ohio Children's Agenda fared in the budget you are considering. A quick review of this analysis will show you our specific recommendations for children and their families.

We are also a member of the steering committee of the Campaign to Protect Ohio's Future, a coalition of over 370 health, human services, primary and secondary education and higher education organizations working on issues that affect children and families. Attached to my testimony is a 2006-2007 budget overview sheet that summarizes the issues that the Campaign supports and opposes.

You have heard specific testimony from many of us on programs that are critical for Ohio's families and children. You have heard us say what we support in the budget and you have heard us say what we oppose and what is missing in the budget. And you will hear more today.

I am here today to talk about children. In the midst of the budget discussions and debates, I want to provide a larger context in which to consider the needs of children and their families. In other words, WHY Ohio should continue to invest in and even increase our investment in children and their families.

First and foremost, please remember that 1 in every 4 Ohioans is a child under the age of 18. They can't vote so they do not have a direct voice in the decisions that you and your colleagues make that affect them.

Of these nearly 2.9 million Ohio children:

- Over 403,000 children—or 14%—live in poverty.¹ For a family of four, that means a yearly income of \$19,350.
- Over 200,000 of these children—or 7%—live in extreme poverty, below 50% of the federal poverty level.² For a family of four, that means a yearly income of \$9,675.
- 43% of people served by food pantries and soup kitchens in Ohio are children.
- One in four people in an Ohio homeless shelter is a child.

Poverty matters. Children who live part or all of their childhood in poverty are more likely to die in infancy, have a low birth weight, lack health coverage, housing and adequate food, and receive lower scores in math and reading.

- Ohio's 4th and 6th grade students score below the national averages in tests for basic reading and math skills.³
- Ohio has about 145,000 three- and four-year olds. Ohio provides funding to serve about 5,600 of these children who live in families with incomes under 185% of the federal poverty level, in public preschool programs. Another 2,900 children are enrolled for a fee established by the school district. This means that only 5.8% of Ohio's three and four-year olds attend public preschool.
- Fewer children participate in Head Start in Ohio, due to changes in the state-funded Head Start Plus program, and that trend will continue with the proposed Early Learning Initiative.

Education and early education matter. Children who attend quality early childhood education programs perform better in school. Quality K-12 schools prepare children for a lifetime of better learning and earning.

- More Ohio babies are born at low birth weight (under 5.5 pounds) than the national average.⁴
- More Ohio babies die before their first birthday (infant mortality rate) than the national average.⁵
- Nearly 156,000 Ohio children, 5.4%, have no health insurance.⁶

¹ Annie E. Casey Foundation, Kids Count 2004.

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ Ibid.

- Twenty-one percent of Ohio children require mental health services, but only about one-half receive the services needed.⁷

Health matters. Pregnant women and children who receive regular, preventive care have better health outcomes than those who do not. Every \$1 spent on preventive care saves at least \$3 on future health care costs. I'd also like to point out here that the proposed cut in parental coverage for Medicaid from 100% of FPL to 90% of FPL will result in 25,000 parents losing health coverage. Because children live in families and parents' health coverage impacts children's access to health care, this cut will negatively impact children's health as well as their parents.

- In 2003, over 33,000 Ohio children were in the custody of the child welfare system at some point during the year.⁸
- In 2003, new reports of child abuse and neglect totaled 87,158.

Child welfare matters.

These facts show the challenge that Ohio's children and families face. How we meet these challenges is up to all of us. To those of us who are parents—to provide a stable loving home for our children; to organizations and agencies—to provide support, guidance, and when needed, services for parents and children; and to you as legislators, who determine the level of public support for programs.

As policymakers, your challenge is to identify investments that yield the highest public returns. The literature is clear: dollars invested in early childhood development yield extraordinary public returns.⁹

The quality of life for a child and the contributions the child makes to society as an adult can be traced back to the first few years of life. From birth until about 5 years old a child undergoes tremendous growth and change. If this period of life includes support for growth in cognition, language, motor skills, adaptive skills and social-emotional functioning, the child is more likely to succeed in school and later contribute to society.¹⁰

However, without support during these early years, a child is more likely to drop out of school, receive welfare benefits and commit crime.

⁶ Ohio Department of Job and Family Services, Ohio Family Health Survey. March 2005.

⁷ Public Children Services Association of Ohio, PCSAO Factbook, 7th Edition, 2005-2006.

⁸ Public Children Services Association of Ohio, PCSAO Factbook, 7th Edition, 2005-2006.

⁹ Federal Reserve Bank of Minneapolis, fedgazette, March 2003, "Early Childhood Development: Economic Development With a High Public Return," Art Rolnick and Rob Grunewald.

¹⁰ Martha Farrell Erickson & Karen Kurz-Riemer, *Infants, Toddlers and Families: A Framework for Support and Intervention* (New York: The Guilford Press, 1999).

In a 2003 research paper, the Federal Reserve Bank of Minneapolis concluded that the best economic development investment that states can make is in the area of early childhood development. The authors based this conclusion on research that found an 8-to-1 benefit-to-cost ratio and 16 percent real rate of return for early childhood programs. In other words, given the full range of economic development avenues that states and governmental entities can pursue, the Federal Reserve Bank found that early childhood development programs provided the biggest return for the money.

Yet early childhood development is rarely considered as an economic development measure. As you deliberate this budget, please remember that investing in Ohio's children, especially the youngest of them, will result in better working public schools, more educated workers and less crime.¹¹ Ohio's children are counting on you.

Thank you. I am happy to answer any questions you may have.

¹¹ Federal Reserve Bank of Minneapolis, *Fedgazette*, March 2003, "Early Childhood Development: Economic Development With a High Public Return," Art Rolnick and Rob Grunewald.