



Safe Children, Stable Families, Supportive Communities

Ohio Senate
Senate Finance Committee
Testimony on Sub. HB 110
June 2, 2021
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Good afternoon Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee. Thank you for the opportunity to provide this testimony on Sub. HB 110. My name is Angela Sausser, and I am the Executive Director of the Public Children Services Association of Ohio (PCSAO). PCSAO is a membership-driven association of Ohio's 88 county Public Children Services Agencies that advocates for sound public policy, promotes program excellence, and builds public value for safe children, stable families, and supportive communities.

We appreciate that this Committee has largely maintained the children services investments in the House-passed budget.

I am here to ask that the Senate Finance Committee reconsider our primary request to **increase the State Child Protection Allocation (SCPA) within line item ODJFS 600523 by \$50 million per year**. We know this is a big ask. As we shared before this Committee and the Senate Health Committee, the next two years are pivotal for Ohio's county public children services agencies with significant state and federal changes occurring. Without this new investment, what is intended to be state and federal transformation mandates will instead have a **crippling impact on county PCSAs, erode their stabilization efforts and prevent counties from beginning to transform the children services system**.

There are three significant gaps that merit increasing the State Child Protection Allocation to support county agencies. The first significant funding gap revolves around kinship. The state created a new Kinship Support Program at the end of 2020, during the lame duck session. While the executive budget includes new dollars to cover the costs of the state portion of the program, it does not include new dollars to cover the increased cost to counties. **If only half of the kinship caregivers become licensed foster parents, the estimated cost to counties will be an additional \$37M/year.** The state has estimated the local cost to be closer to \$25M/year. Either way, there are no new resources in the state budget to cover the county costs for this new Kinship Support Program. In addition, the removal of the \$10M/year TANF earmark in this current version of HB 110 for the Kinship Caregiver Program—first established in the SFY2018-2019 biennium—means counties will have even fewer resources to help kinship caregivers.

The second significant gap pertains to a new federal law called the Family First Act that Ohio must implement by Oct. 1, 2021. This Act requires states to provide new evidence-based services to families to prevent children from coming into foster care. Family First provides federal funds to pay for up to half (50%) the cost of these evidence-based prevention services. **State resources are needed for the ongoing match of the prevention services.**

In addition, Family First requires children's residential and group home settings to meet new, costly, clinical quality standards (called a Qualified Residential Treatment Program). If settings fail to meet these standards, Family First prohibits federal reimbursement of placement costs. ODJFS forecasts that between a fourth to a half of Ohio's residential centers will not meet this standard by the federal deadline of Oct. 1, 2021. **Our estimates show that counties will lose between \$18 and \$25 million per year in federal reimbursement** due to facilities not being able to meet these new requirements by the federal deadline.

Finally, HB 110 moves in the right direction with policy changes that will begin transforming Ohio's children services system. However, the proposed new children services funding in HB 110 is focused solely on state costs related to new policy changes and leaves counties without

additional resources required to appropriately carry out these changes. This is the third significant gap.

The **new state and federal requirements will cost county Public Children Services Agencies at a minimum \$52 million per year.** This estimate is based solely on the cost of the new Kinship Support Program and Family First implementation, and not on the additional transformation policy changes. The below chart details the significant gaps in children services funding in HB 110.

Gaps in Children Services Funding for Transformation Efforts

2022-2023 Senate Substitute HB110

	SFY21	SFY22	SFY23	Change (SFY21/23)
GRF Allocations to Counties	\$148.2M	\$138.2M	\$138.2M	- \$10M/year
TANF Earmark: Kinship Caregiver Program	\$15M	Removed \$10M	Removed \$10M	- \$15M/year
Estimated Unfunded New Costs to Counties				
Kinship Support Program		\$37M	\$37M	- \$57M/year minimum
Family First Implementation		\$25M	\$20M	
KGAP		\$0	unknown	
Other Policy Changes		unknown	unknown	
State-Level Children Services Programs and Operations	\$31.7M	\$95.2M	\$90.7M	+ \$59M
State-Level Initiatives	\$4.7M	\$18.8M	\$20.5M	+ \$15.8M

Therefore, PCSAO, along with the County Commissioners Association of Ohio, respectfully requests that the Senate Finance Committee address these funding gaps and **provide an additional \$50 million per year to the State Child Protection Allocation found within ODJFS ALI 600523.** This funding is critical so that Ohio’s county PCSAs can successfully implement the newly established Kinship Support Program, the Family First Act, and the proposed transformational efforts within HB 110.

Without this new investment, county PCSAs will not be able to begin transforming the children services system, and these changes will erode the stabilization efforts that are being achieved with the new investments in the SFY21-22 budget.

Amendment Request:

Amend HB110, lines 56387-56393 as follows:

*“Of the foregoing appropriation item, 600523, Family and Children Services, not less than ~~up to~~ **\$160,040,010** ~~\$110,040,010~~ in each fiscal year shall be provided to public children services agencies. Of that amount, \$17,600,000 in each fiscal year shall be used to provide an initial allocation of \$200,000 to each country and the remainder shall be provided using the formula in section 5101.14 of the Revised Code.”*

Attached to my testimony is additional information about the current state of Ohio’s children services system, the funding gaps in HB 110, Family First Act, current and proposed kinship changes, and the State Child Protection Allocation. I am happy to answer any questions. Thank you.

Chart A shows the overall total children services spend between SFY2009 and SFY2020.

TOTAL CHILDREN SERVICES EXPENDITURES BY FUNDING SOURCE: 2009 - 2020

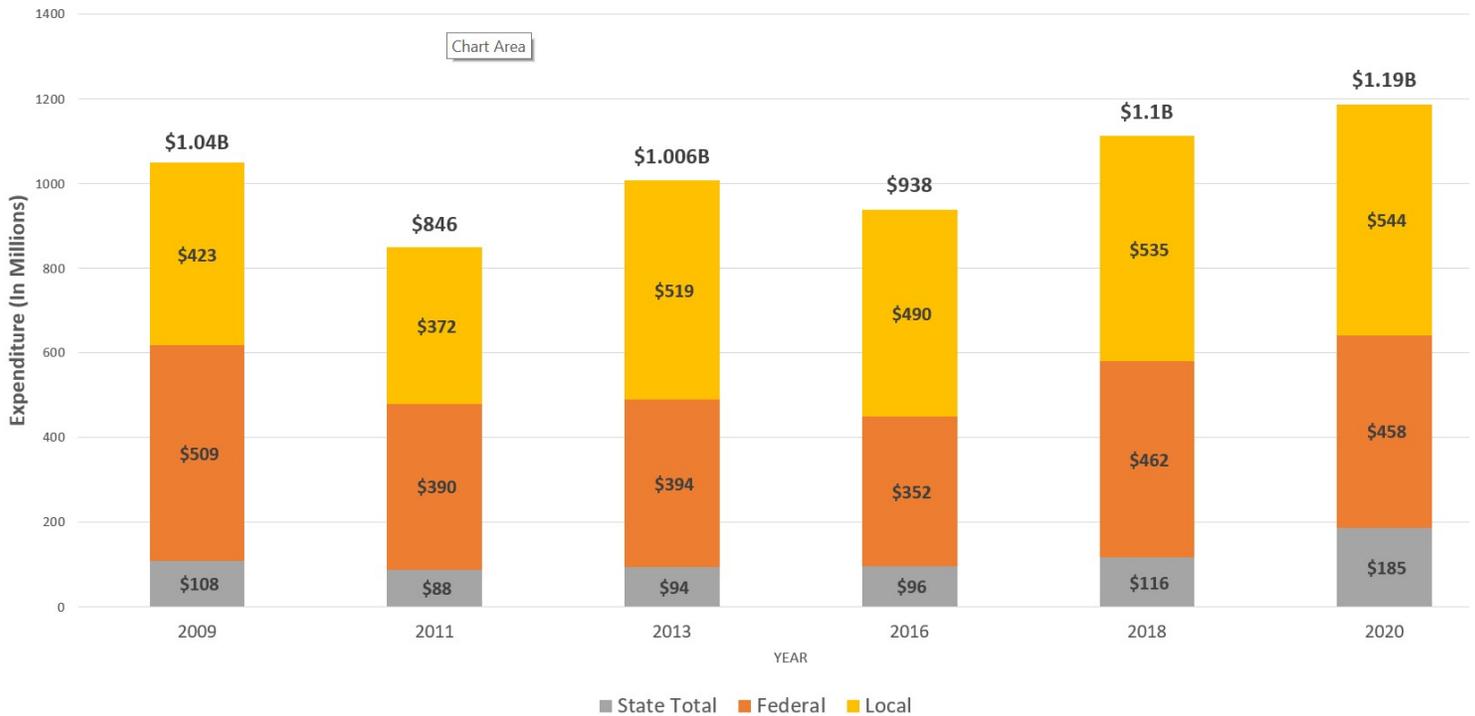
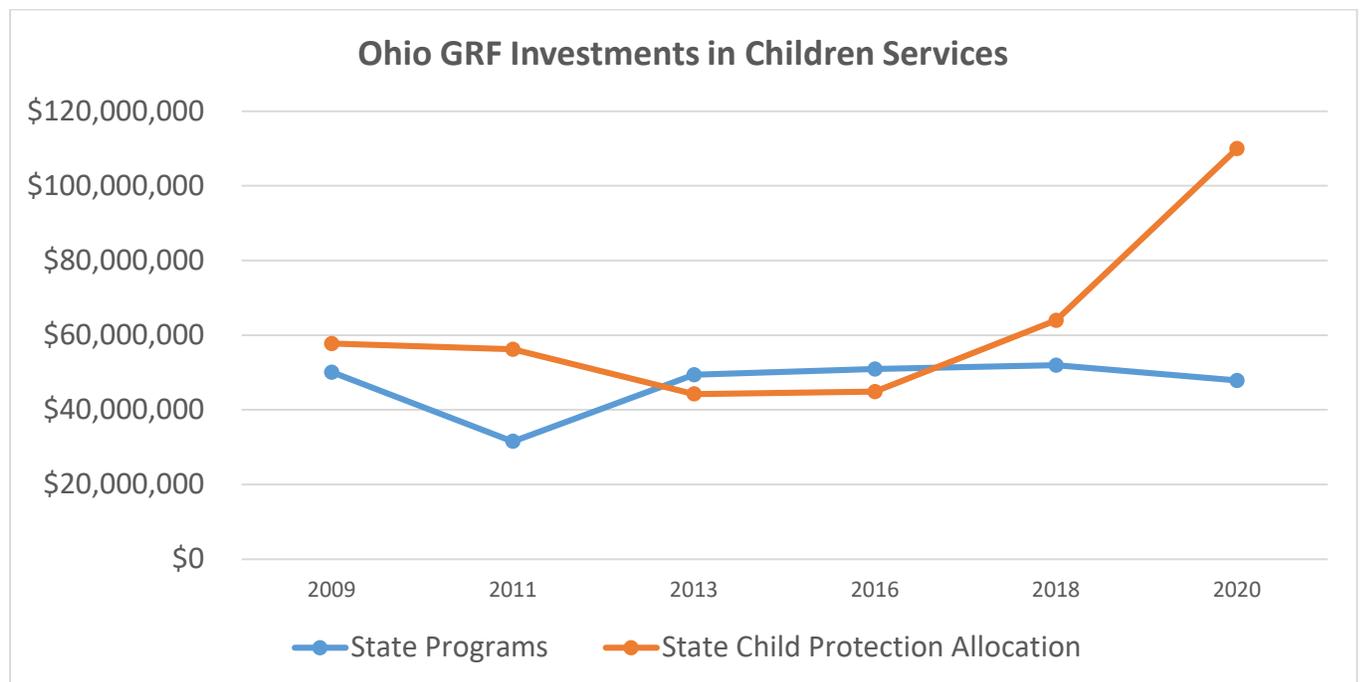
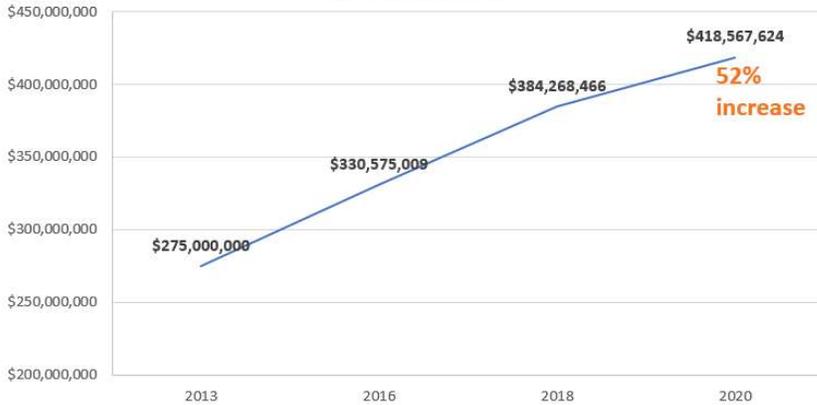


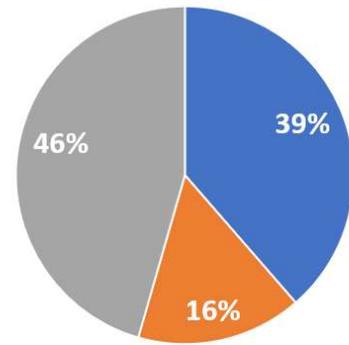
Chart B shows the trend line for state spending in children services between SFY2009 and SFY2020.



Foster Care Placement Costs For State Fiscal Years



SFY20 Children Services Spending Total = \$1.2B



■ Federal ■ State ■ Local

Children in Foster Care—Point in Time Count



Children in Foster Care—Over the Entire Year

