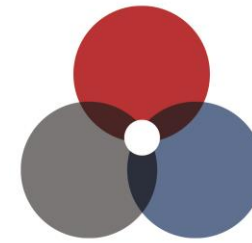


How COVID Has Impacted State Government and Services

September 18, 2020



THE CENTER FOR EST. 1913
COMMUNITY SOLUTIONS
RESEARCH • ANALYSIS • ACTION



The Center for Community Solutions

We improve health, social and economic conditions through nonpartisan research, policy analysis, communications and advocacy.

www.communitysolutions.com

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Our Priorities



Advancing Wellbeing of Older Adults



Enhancing Behavioral Health Access



Improving Maternal and Infant Health



Strengthening Health and Human Services Safety Net



Supporting Sound Medicaid Policy



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Advocates for Ohio's Future

Advocates for Ohio's Future (AOF) is a nonpartisan coalition of over 500 Ohio organizations that promotes health and human service budget and policy solutions so that all Ohioans live better lives.

Our coalition believes in investing in our state's most valuable resource—our people—to ensure that they are safe, healthy, and can access pathways to prosperity for themselves and their families.

AdvocatesForOhio.org

Kelsey Bergfeld, Coalition Manager

kbergfeld@communitysolutions.com | 175 S. Third Street, Suite 350 | Columbus, OH 43215

Today's Presenters



Dan Baker
Deputy Director
OBM – Budget and Planning



OPLC
Ohio Poverty Law Center

Susan Jagers
Director
Ohio Poverty Law Center

Ohio

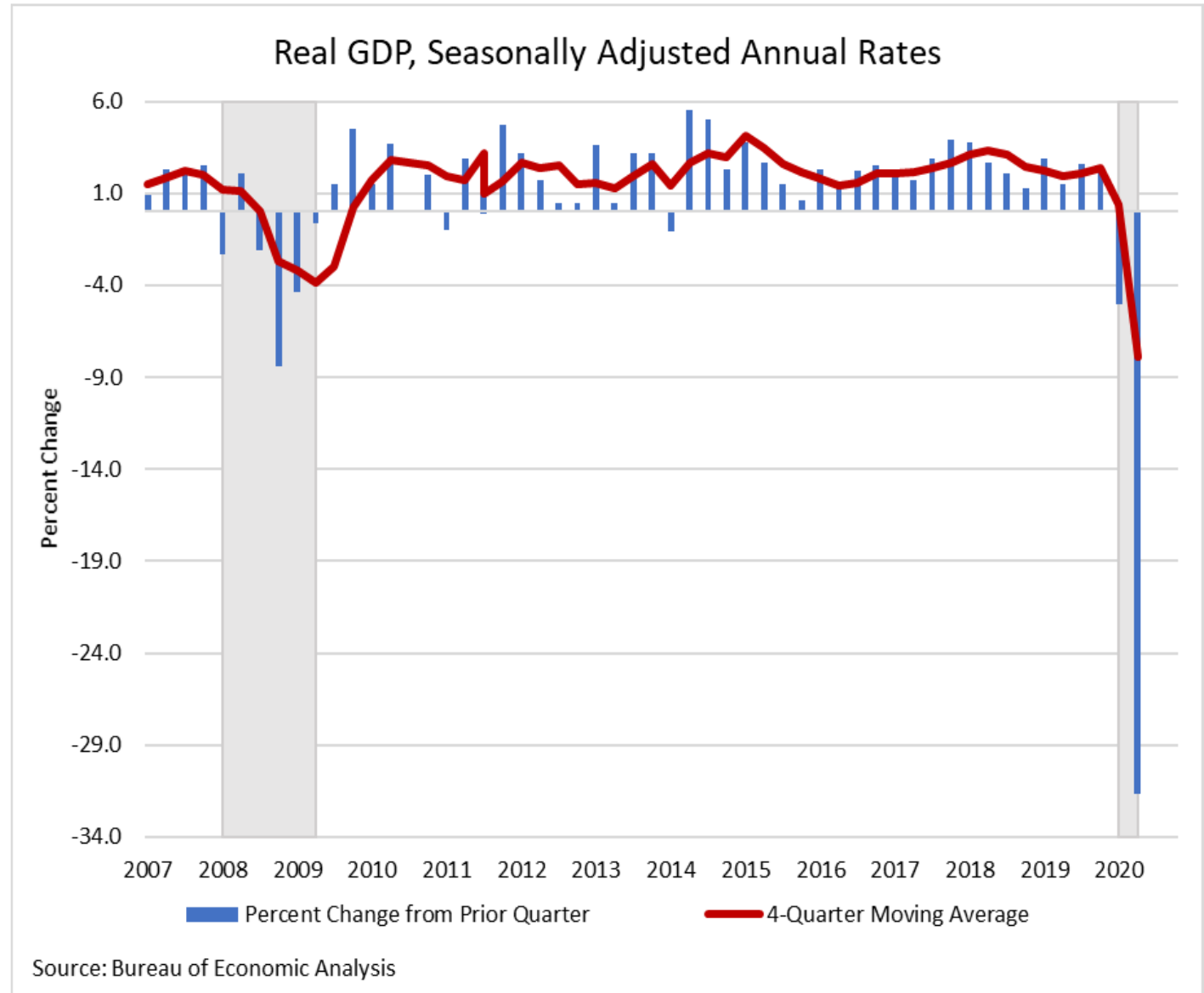
Department of
Job and Family Services

Kara B. Wente, Assistant Director
Ohio Department of Job and Family Services

Advocates for Ohio's Future and The Center for Community Solutions FY'22 & FY'23 State Budget Outlook

Presented by Dan Baker, OBM Deputy Director
for Budget and Planning

2020 Second Quarter GDP decline was the largest in history



Fiscal Year 2020 Review

- Through February 2020 total tax receipts were approximately \$250 M above estimate.
- FY'20 tax revenues were \$1.1 B (-4.6%) below estimate for the year and \$866.4 M (-3.7%) below FY'19.
- State GRF expenditures were reduced by \$775 M in Executive Order 2020-19D.
- While FY'20 faced severe tax revenue shortfalls, they were not quite as bad as estimated and the state ended FY'20 about \$191 M better than anticipated. This rolled over into FY'21.

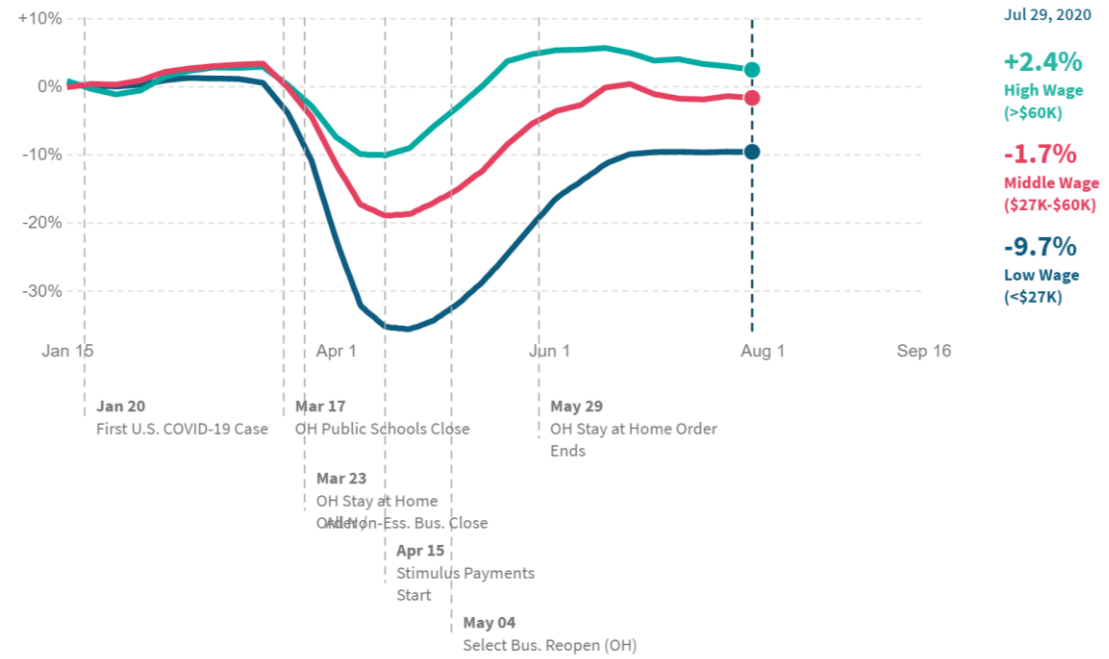
Fiscal Year 2021 At a Glance

- In June 2020 Governor DeWine announced a projected FY'21 shortfall of \$2.4 B.
- OBM issued guidance to state agencies earlier this year regarding FY'21. Amounts were placed into holding accounts, that cannot be spent until released. These are not yet reductions but could be turned into reductions if needed.
- Through the first two months of FY'21 total tax receipts are above estimate by \$253 M (\$184 M in July and \$69 M in August).

Where We Are Now

Percent Change in Employment*

In **Ohio**, as of July 29, 2020, employment rates among workers in the bottom wage quartile decreased by **9.7%** compared to January 2020.



Where We Are Now

- We believe state sales tax is up due to pent up demand from 2nd quarter and a shift in consumer spending habits from non-taxable services to taxable purchases (home improvements, out-door equipment)
- When the economic stimulus ends there will likely be a disruption to the economy.

Fiscal Years 2022 & 2023

- FY'21 includes \$600 M in one-time tax sources from income tax filing shift, as well as approximately \$400 M in debt service savings due to restructuring.
- It is also likely that in the next budget cycle the enhanced federal share for Medicaid will be reduced. This total amount is more than \$1 B for FY'21 and of that around 90% is attributable to recurring caseloads.
- Guidance to state agencies is to present recommendations at 100% and 90% of their FY'21 appropriations minus withheld amounts.

ODJFS
COVID-19 Response
September 18, 2020

COVID-19 Response

1. Supplemental Nutrition Assistance Program(SNAP)/Pandemic – Electronic Benefit Transfer (P-EBT)
2. TANF
3. Child Care
4. Children Services

SNAP/P-EBT

- ***Administrative Relief: 13 Waivers***
 - Interim Report Waiver
 - Recertification Extension Waiver
 - Initial Application Interview Waiver
 - Face-to-Face Interview Waiver
 - Good Cause for SSN Waiver
 - Delaying the Initial Demand Notice for Overpayments Waiver
 - QC Face-to-Face Interview Waiver
 - QC Error Review Waiver
 - State Hearings Timeframe Waiver
 - Blanket Good Cause for ABAWD and SNAP E&T Requirements
 - Discretionary Exemptions Applied to ABAWDs
 - ABAWD Statewide Waiver
 - Staggered Certification Option

SNAP/P-EBT

- ***Emergency Supplements:***
 - Issued more than \$480M in food benefits
 - September Issuance – last week of the month
- ***P-EBT Benefits:***
 - Round 1 (Spring)
 - 872,714 students received benefits
 - Issuance totaling \$261M
 - Round 2 (August/September)
 - 490,000 students estimated to receive benefits
 - Estimated issuance total: \$86M
- ***Disaster Household Distribution Program***
 - Statewide approval April – mid June
 - Allowed streamlined eligibility/increased 230% FPL
 - Food issued under approval to be replaced

TANF

- ***Food***

- \$4.97M to Ohio Association of Foodbanks to provide COVID-19 supplies to ensure safety, food and personal hygiene necessities during the COVID-19 pandemic.

- ***Housing***

- \$16M to Coalition on Homelessness and Housing in Ohio (COHHIO)
 - Rapid rehousing
 - Transition housing
 - Eviction support

Child Care

Changes:

- **March 17, 2020** - Launched Temporary Pandemic Child Care Programs
- **March 25, 2020** - Closed Child Care Programs
- **May 31, 2020** - Re-opened Child Care with reduced ratios
- **August 9, 2020** - Allowed pre-COVID-19 class sizes and ratios
- **August 25, 2020** - Launched Temporary Pandemic School Age Child Care Center License

Child Care Supports

Support

Closure Payments

Description

4,974 programs were paid a closure payment for a total of \$131M

Temporary Pandemic Child Care Program Licenses

- 1,915 programs were licensed
- ODJFS paid a total of almost \$36M for essential child care for low income workers

Grant Support Payments

Month	Amount Issued	Providers
June	\$29,800,000	3,592
July	\$20,600,000	3,399
August	\$11,400,000	1,423
Total	\$61,800,000	

Temporary School Age License

As of 9/16/2020:

- 23 applications
- 5 approvals

Children Services

- No Aging Out Policy
- Virtual Visitations
- Emergency Rules to Stand Up Residential Facilities

Upcoming Priorities

- Continued COVID-19 Recovery
- SFY22/23 Budget
- Benefit Bridge
- Family First Prevention Services Act
- Children Service Transformation Recommendation
- Child Support System Modernization
- Child Care in Ohio Benefits

Questions





The Ohio Poverty Law Center's mission is to reduce poverty and increase justice by protecting and expanding the legal rights of Ohioans living, working and raising their families in poverty.

Susan Jagers

sjagers@ohiopovertylaw.org

614-824-2501

CARES Act Funding

Community Development Block Grant (CDBG)

Child Care Development Block Grant Program (CCDBG)

Aging and Disability Services Programs

Education

- K-12 Schools
- Higher Education

CARES Act Funding

Coronavirus Relief Fund

Total Allocation: **\$4,532,845,506**

Eligible Purposes:

Section 5001(d) of the CARES Act provides the eligible purposes for which Coronavirus Relief Fund payments may be used. Specifically, it allows state and local governments to make payments for programs that

- (1) Are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
- (2) were not accounted for in the budget most recently approved as of the date of enactment [March 27, 2020] of this section for the State or government; and
- (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

CARES Act Funding

State Coronavirus Relief Fund

State Allocation: \$2.5 billion

Total Amount Spent/Allocated: \$1.4 billion

Health Care Providers:	\$471 million
Ohio Dept. of Health:	\$194 million
Higher Education:	\$200 million
K-12 Education:	\$150 million
Dept. of Public Safety:	\$123 million
Dept. of Admin Services:	\$87 million
OBM:	\$81 million
ODRC:	\$75 million
Childcare:	\$31 million

Amount Left to be Spent: \$1.1 billion

CARES Act Funding

Local Government Coronavirus Relief Fund

Cuyahoga County	\$215,523,501
Franklin County	\$76.3 million
City of Columbus	\$156.8 million
Hamilton County	\$142,651,313
Montgomery County	\$92,780,861
Summit County	\$94,408,274

Controlling Board

- May 5, 2020--\$12.5 million to local health departments
- July 13, 2020--\$36.8 million to local health departments

CARES Act Funding

Local Government Coronavirus Relief Fund

HB481

- Appropriated \$350 million
- Local Government Fund Budget Formula
- Requires local funds unspent as of October 15, 2020, to be redistributed to local governments that have spent their full allocation.
- Requires subdivisions to return unspent CARES Act funds to the state by December 28, 2020.

Controlling Board—August 24, 2020

- Appropriated \$175 million
- Local Government Fund Budget Formula
- Same spending timeframe as HB481

Senate Bill 357

- Appropriates \$650 million
- Per Capita formula
- Encumbered by Nov. 20, 2020 or redistributed, spent by Dec. 30, 2020.
- Passed Ohio Senate on Sept. 2, 2020
- Has not been scheduled for a hearing in Ohio House of Representatives yet

Questions?

A copy of the slides and a recording of today's webinar will be available immediately after today's event at

CommSols.com/WebinarCOVIDStateGovernment