

Adoption is expensive. Ohio wants banks and credit unions to help.



Brent Fisher and his wife Magan want to adopt a child, but the process is long and the costs can be prohibitive.

The couple was looking at taking out a home equity loan. “It’s really the only option available to a family that might not have \$50,000 lying around,” he said.

The new “Family Forward” program incentivizes credit unions to lend up to \$50,000 for adoption expenses by permitting institutions to take in deposits from municipalities and school districts where they operate if they offer such loans. Credit unions are otherwise prohibited from holding deposits for public institutions. Banks may also enroll in the program, though they can already accept public deposits without participating.

The state gives all lenders in the program a deposit to match the value of the loans they make at below-market interest rates. “Therefore, they are offering their potential customer a lower interest rate on a loan, giving them a leg up on a competitor who is not participating in the program,” said Brittany Halpin, press secretary for Ohio Treasurer Robert Sprague.

Fisher, who is assistant vice president of marketing for Pathways Financial, said he and his wife registered to adopt about a year ago and are still going through the process of being matched with a child, but once that happens, much of the bill comes due. The Fishers have already had to spend for things like travel, home improvements and re safety.

“This program is literally a lifeline,” he said. “It will open the door of possibilities for families who are worthy of it but who might not have the budget to accommodate a lot of those expenses.”

Adoption is often much more expensive than people realize, Kidwell said. And the issue hits home for him because Fisher and another Pathways Financial employee are going through the adoption process.

The loans can cover home inspections, certifications, travel to meet potential adoptees and other costs. Pathways typically doubles the baseline program terms on those loans from five to 10 years because the expenses can run as high as \$50,000 to \$75,000, Kidwell said.

Ohio credit unions have historically been left out of the section of the Ohio Revised Code that governs public deposits made by state and local political subdivisions. Until recently, only banks could take in those deposits.

Credit unions are [flush with deposits](#) now, but Kidwell said there may soon come a time when that will not be the case. "And it's not only that," he said. "It's another thing that we can do for the community."

"From there, our team got to work to find a way to support Ohio families as they navigate the process," she said. To date, two credit unions and one bank have enrolled to participate in the Family Forward program.

Twenty-five states have laws that expressly permit state-chartered credit unions to accept public funds and permit government entities to deposit public funds in state-chartered credit unions, according to the Ohio Credit Union League. Additionally, another 17 states do not have laws that explicitly allow or prohibit credit unions holding public funds.

A move to allow credit unions in Colorado to accept public deposits was [tabled in late March](#). But Ohio is more open to the concept — within certain limitations.

Halpin said it is the responsibility of the state's General Assembly and policymakers to write laws and set rules regarding financial institutions as public depositories, and the Treasurer's office will continue to abide by state law and help to ensure the security of public deposits.

In 2017, the General Assembly added credit unions as eligible participants in certain linked deposit programs administered by the Treasurer's office, such as the Family Forward program. Since then, the Treasurer's office has worked closely with financial institutions in the state to implement the new statute and facilitate the inclusion of credit unions as allowed and directed by law, she said.