



Shared Prosperity, Thriving Ohioans

Testimony on HB 145 before House Families, Aging, & Human Services Committee

Will Petrik

Chair Manchester, Vice Chair Cutrona, Ranking Member Liston and members of the committee. My name is Will Petrik and I am the budget researcher with Policy Matters Ohio, a nonprofit, nonpartisan organization. Our mission is to create a more prosperous, equitable, sustainable and inclusive Ohio. Our work focuses on ensuring all Ohioans, no matter where they live or what they look like, can live with dignity and thrive. Thank you for the opportunity to testify on House Bill 145.

We support House Bill 145, because it will:

- Make child care affordable for thousands of Ohioans who need it.
- Give more children a brighter future.
- Support the workforce by helping more mothers who want to work get and keep good jobs.

All parents deserve to go to work knowing their kids have a safe, nurturing place to go. But for decades, Ohio has had a child care crisis. Even before COVID-19, thousands of families could not afford high-quality child care, and most child care workers were paid poverty-level wages.

Right now, a single mother in Ohio, with an infant and a 4-year-old, who works full time as a social worker at \$15 an hour, makes too much to qualify for public support for child care. The average cost of center-based care for an infant and a 4-year-old was \$18,267 in Ohio in 2019.¹ At \$15 an hour, she'd be paying 58.5% of her income just on child care expenses, leaving her with few resources to pay for food, housing and other basic needs to support herself and her family.²

Child care in Ohio is unaffordable					
A single parent of two paid \$15/hour would spend more than half their income on child care					
Hourly Wage	Annual Wage	Average annual cost of center-based care for an infant and a 4-year-old	% of income spent on child care	Annual income left to cover food, housing, phone, internet, transportation and healthcare	Monthly income left to cover food, housing, phone, internet, transportation and healthcare
\$15.00	\$31,200	\$18,267	58.5%	\$12,933	\$1,077.75

Source: Average cost of center-based care for one infant and for an infant and a 4-year-old from "Price of Child Care in Ohio," Child Care Aware of America, <https://bit.ly/2BRqCjC>.

¹ "The US and the High Price of Child Care: 2019," Child Care Aware of America, <https://bit.ly/31vWTHu>

² The U.S. Department of Health and Human Services states that affordable child care should be no more than 7% of family income, "Child Care and Development Fund (CCDF) Program," Federal Register, Vol. 81, No. 190, Rules and Regulations, Department of Health and Human Services, Administration for Children and Families, September 30, 2016, <https://bit.ly/2NGvDOA>

Ohio ranks near the bottom among all 50 states when it comes to helping parents afford high-quality child care. Ohio policymakers set initial eligibility for publicly funded child care at 130% of the federal poverty level (FPL). That means that a parent with two children can make \$13.75 an hour or less (or \$28,548 or less annually). If she makes more, she makes too much to qualify for initial support. Only two states make it harder to qualify for support to afford child care.³

House Bill 145 will address this and make child care more affordable for more working families by boosting initial eligibility for Publicly Funded Child Care to 200% of FPL. The Urban Institute estimates that expanding eligibility from 130% to 150% of the FPL would mean an additional 67,400 children could get child care in Ohio and 12,100 children could be lifted out of poverty.⁴ Boosting initial eligibility to 200% would mean even more families could afford child care.

House Bill 145 will also support the healthy growth and development of children. Every child, regardless of race, class, gender or ZIP code, deserves to be healthy, educated and nurtured. In Ohio, only 26% of Black children and 41% of all children start kindergarten ready to learn.⁵ We know that children who start behind often stay behind later on in school and in the workforce as adults. High-quality child care helps give children a strong start and improves long-term economic opportunities.⁶ This is why Ohio must ensure more children receive high-quality child care and early education. HB 145 moves Ohio in this direction.

House Bill 145 will get our economy moving again and help women get and keep good jobs.

Some parents must leave the workforce as a result of the high cost of child care. Mothers are often the ones who make that compromise. Over 2.3 million women have left the U.S. workforce since the beginning of the pandemic.⁷ Women disproportionately work low-paying jobs with challenging hours and inconsistent schedules.⁸ Many of these mothers struggle to find child care that aligns with their work schedules.⁹ HB 145 will reduce the cost of child care and increase access to child care, which research shows enables more parents, particularly mothers, to participate in the workforce.¹⁰

Ohio can't afford to continue neglecting our children's future and parents who want to get back to work. Over the last 15 years, lawmakers have shifted resources away from Ohioans with low incomes and toward the wealthiest 1% of Ohioans who now take home an average of over \$40,000 each year in tax giveaways. State lawmakers can raise \$1.9 billion a year — which is more than enough to expand access and make child care more affordable — by making sure the wealthiest Ohioans pay their fair share to support children, families, working people and the economy.¹¹

I urge you all to support this legislation. HB 145 will, if passed, help prepare more Ohio children for school and enable more parents with young children to work. It is needed now more than ever to help our economy recover.

³ Schulman, Karen, "Early Progress: State Child Care Assistance Policies 2019," The National Women's Law Center, 2019, from Table 1a: Income Eligibility Limits for a Family of Three in 2018 and 2019, <https://bit.ly/3aribym>

⁴ Giannarelli, Linda, Adams, Gina, Minton, Sarah, Dwyer, Kelly, "What if We Expanded Child Care Subsidies?" Urban Institute, June 14, 2019, <https://urban.is/2YHPq6f>

⁵ "Annual Report on the Kindergarten Readiness Assessment: Fall 2018 Administration", Ohio Department of Education, Office of Early Learning and School Readiness, accessed on April 8, 2021, <https://bit.ly/2PFVavW>

⁶ Heckman, James, "Invest in Early Childhood Development: Reduce Deficits, Strengthen the Economy," accessed on April 8, 2021, <https://bit.ly/3uu9m9Q>

⁷ "The pandemic, the economy, & the value of women's work: a year of strength and loss," National Women's Law Center, March 2021, <https://bit.ly/3wEXlIc>

⁸ Gelatt, Julia, "Who Minds the Kids When Mom Works a Nonstandard Schedule?" Urban Institute, 2015, <https://urban.is/3qziH4t>

⁹ Henly, Julia R. and Adams, Gina, "Insights on Access to Quality Child Care for Families with Nontraditional Work Schedules" Urban Institute, 2018, <https://urban.is/31SXPFX>

¹⁰ Schochet, Leila, "The Child Care Crisis is Keeping Women Out of the Workforce," Center for American Progress, March 2019, <https://ampr.gs/2O4Z7FW>

¹¹ Patton, Wendy, "Rebalance the income tax to build a better Ohio for everyone," Policy Matters Ohio, Oct 15, 2020, <https://bit.ly/2QihbR4>