

**Ohio Senate
Finance Committee
House Bill 110
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United Way of Greater Toledo, serving Lucas, Ottawa & Wood County
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Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the committee: My name is Wendy Pestrue, and I am the president and chief executive officer at United Way of Greater Toledo, which proudly serves the residents of Lucas, Ottawa and Wood counties.

Thank you so much for the opportunity to provide written and verbal testimony, expressing our organization's support for amendment S-C-2363, which would expand initial childcare eligibility, for publicly funded childcare, **from 130 percent of the federal poverty level, to 150% of the federal poverty level in House Bill 110.**

Let me begin my statement by reviewing the financial stability of hard-working families in our community...

According to data from United Way's "Ohio ALICE Report" — ALICE being an acronym for "asset limited, income constrained, employed" — the average four person household in Lucas, Ottawa and Wood County, having two adults and two children, would need to budget **\$1,474 per month, just to afford childcare.**

Astoundingly, childcare in the state of Ohio is nearly on-par with the costs of in-state college tuition.

We also must note that 12,697 families, **with children** in our counties, currently live in poverty, while an additional 11,989 families, **with children**, are "asset limited."

These are Ohio's working families. Parents who are struggling to make ends meet, who want to give their children the high-quality care they deserve, but simply cannot afford it.

Childcare being seen as an **unaffordable** expense leads to parents having to miss work shifts, or pass-up on additional working hours, because they have no place that is safe or educationally enriching to take their child. After all, when choosing between the safety of your kid, or a paycheck, a parent will always choose their child.

What I've just outlined are the **short-term economic impacts**, but, we must also analyze the **long-term consequences** of families not enrolling their children in high-quality care.

If children aren't engaging in educationally-based environments early in their lives, they more-than-likely **will not be prepared** for kindergarten, which ultimately determines

high school graduation rates. And, as you know, obtaining your GED or diploma dictates whether or not you will go on to learn a trade, or attend college.

In Ohio, **almost 50 percent of all kids** who took the kindergarten readiness assessment scored “not on track.” In Toledo, roughly **three in every five kids** are not prepared for kindergarten.

All of these economic outcomes — hours a parent can work or the career a toddler will go on to achieve — **starts with childcare.**

By expanding eligibility for publicly funded childcare from 130 percent, to 150 percent of the federal poverty level; **we can help alleviate the financial burden of quality childcare for working families.** This would specifically support a family of three, making \$32,580 annually, or \$15.66 an hour or less, afford childcare.

By making this amendment to House Bill 110, and increasing eligibility, we will accomplish three things, as I have already iterated:

- 1.) **Help more kids be ready for kindergarten in our state**, which correlates with long-term graduation rates.
- 2.) **Help more families retain employment** and not have to change their working hours via having access to care.
- 3.) By creating greater access, this means that childcare centers and care providers can **welcome more kids into their facilities**, sustaining their operations and offering their services to a wider community audience.

We have reached a pivotal moment. Today, we have the opportunity to create real, meaningful conversation around the importance of childcare. As this budget moves through the Senate, **you all have the power to help working families gain access to this critical service.**

Increasing eligibility certainly has a price and requires thoughtful investment, and it is up to us to determine whether or not our kids are worth it. **We believe they are.**

Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes: I thank you for your time and attention, especially to our very own Senator, Theresa Gavarone. I thank you for your commitment to childcare and to listening this past year to our ongoing concerns.

Thank you.