

**Ohio Senate
Finance Committee
HB 110
Mike Baker, Chief Strategy Officer
United Way of Greater Cincinnati**

May 13, 2021

Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the committee, My name is Mike Baker and I am the Chief Strategy Officer of United Way of Greater Cincinnati. I am grateful to be able to provide written testimony expressing United Way's support for amendment SC2363, which would expand initial child care eligibility from 130% of the Federal Poverty Level (FPL) to 150% of the FPL in House Bill 110.

United Way fights for the health, education and financial stability of every person in our community. That's why child care is so important to us. Child care not only supports the workforce of today. High quality child care develops the workforce of tomorrow. Few investments provide both the short-term and long-term benefits that child care does. United Way is focused on the economic mobility of families and child care is critical to making that happen. In a time when equity is so important – when your economic future can be determined by what ZIP code you are born in – it is more important than ever to do everything we can to support families getting to work and ensure their children have a chance to succeed in school and life.

We believe all children deserve to be nurtured through high-quality education and that begins in the earliest years as young brains are being formed. Because this is such an important issue, it has been a top priority of United Way for the last twenty years. Our business and community leaders, donors and supporters came together to ensure our region had quality child care available for our families. They began with over \$100 M dollars of private investment to increase the quality of the care children were getting as well as increasing access for low-income families to that care.

In Cincinnati that community support lead ultimately to the passage of the Cincinnati Preschool Promise, a citizen approved levy which expands access to quality preschool. In 2019 Cincinnati tax payers approved a five-year levy of \$15 million per year to expand our children's access to high quality preschools. We created a plan to increase the number of quality preschools both in public schools and in private child care providers. The levy also provides tuition assistance to the families who need it most. Currently in its fourth year, more than 4,000 children have received tuition assistance and children achieving assistance scored 9% higher on kindergarten readiness assessments than children who did not receive assistance. Voters overwhelmingly renewed the levy last year because they see the results for children in our community. We see every day the toll that an underfunded child care system takes on working parents struggling to make ends meet, on businesses who can't recruit and retain employees who don't

have child care, and on child care workers whose salaries are so low that they qualify for a child care subsidy for their own children. In order for Ohio to make sure parents have child care, that employers can retain workers and that our youngest children are ready to succeed in school and life the state must make substantial changes in how it supports early education.

Foremost is the eligibility level for low-income families. Ohio's publicly funded child care program is only available to individuals earning under 130% of the Federal Poverty Level. This puts Ohio far behind other states who have increased eligibility for subsidy because they recognize that low subsidy rates are a disincentive to work. Ohio's low eligibility means that a mother with two young children can earn no more than \$13.57 per hour or \$28,236 annually to access a subsidy. To advance in a career or come closer to self-sustaining work can leave a parent with *less* expendable income when they lose their child care subsidy. Moving forward in your job should not put your family further behind. Ohio should follow other states and increase initial eligibility to at least 150% FPL in FY2022.

The COVID-19 pandemic has left families in crisis. Lack of affordable, quality child care has impacted poor and middle-class working families, with large numbers of women leaving the workforce because they are faced with a choice between low quality care or spending an unsustainable portion of their income on child care. Businesses are confronting unprecedented child care challenges as employees lose access to trusted, safe learning environments. Lack of affordable child care decreases employee productivity, morale, job quality and tenure.

Our state is also facing the crisis of our children not being prepared to succeed in school. Prior to the pandemic only 41% of our children came to kindergarten ready to learn and the numbers will be worse after the learning loss from the crisis. We have made great advances in the quality of child care in Ohio, where 100% of our centers are participating in the Step Up to Quality rating system and nearly half are highly rated. Now we have to provide stable state funding to support the quality we have developed and make it accessible to the families who need it.

Please **support amendment SC2363 and expand eligibility for publicly funded child care to 150% FPL**. Ohio's children and families need your help.