Gary Z. Lindgren, Board Chair Cincinnati Business Committee

Theodore Adams
Grant Street Partners, LLC

Beverly Beery Beery Insurance Services, LLC

Alex R. Fischer Columbus Partnership

Mary Beth Martin
The Farmer Family Foundation

Margie Wright McGowan Federal Reserve Bank of Cleveland

Oscar Marquez JPMorgan Chase

Randell McShepard RPM International Inc.

Roland Medrano La Mega Media

Daniels S. Peters
Lovett & Ruth Peters Foundation

Patrick J. Tiberi Ohio Business Roundtable

Lisa A. Gray President, Ohio Excels

Senate Health Committee

Testimony on House Bill 110

Lisa A. Gray, President, Ohio Excels May 6, 2021

Chair Huffman, Vice Chair Antani, Ranking Member Antonio, and members of the Senate Health Committee, thank you for the opportunity to provide written testimony on House Bill 110 (HB 110). My name is Lisa Gray, and I am the President of Ohio Excels.

Ohio Excels is a non-partisan, non-profit organization created by leaders of Ohio's business community to more consistently and deeply engage the business community in helping to improve educational outcomes for all Ohio students. Our focus on education includes early childhood, K-12, and postsecondary. And, as part of that, we are committed to working with the broader business community, policymakers, educators, and other community leaders to support our students, educators, and schools. I would like to highlight a few proposals within the budget that relate to our top early childhood education priorities.

Early Childhood Education Investments

Ohio families saw significant disruptions in their ability to access high-quality early childhood education providers over the course of the pandemic. These disruptions prevented some families, especially women, from being able to participate in the workforce.

Ohio Excels believes it is critical to provide children from low-income families the opportunity to access high-quality early childhood education providers. It's a crucial strategy to help close achievement gaps that start at an early age, ensure more students are ready for success in Kindergarten, and are better prepared to meet the Third Grade Reading Guarantee. Ohio Excels is happy to see the budget continues increasing the income eligibility threshold, moving it from 130% of the Federal Poverty Level (FPL) to 138%. However, Ohio Excels would like to increase this eligibility to at least 150% of FPL — as the budget does with special education students — for all low-income students this biennium, with the ultimate goal of reaching 200% in the next few years.

At 150%, we can provide approximately 14,000 more children a high-quality start to their education. Studies have shown that every \$1 invested in early

childhood yields a \$4 to \$16 return on investment. This substantial return on investment makes it evident that increasing the eligibility to 150% or 200% is a smart policy investment. In addition to allowing more parents to participate in the workforce and the immediate educational benefits, children in quality early education have fewer behavioral problems including involvement in our criminal justice system. We also see positive improvements in children's physical and mental health. Finally, increasing eligibility will also increase enrollment for childcare providers, many of whom were devastated during the pandemic and had to liquidate assets, cut staff, take on debt, or even close.

Step Up to Quality

Along with improving access to early childhood education, the state should continue its efforts to ensure those early childhood experiences are of high quality. The Step Up to Quality program – the state's system for developing and rating high-quality providers – reached a milestone last year. All publicly funded early childhood education providers are now included in Step Up to Quality. Ohio Excels supports the program as it now works to continue to improve the quality of providers over the biennium. To help this, we are pleased that HB 110 includes \$20 million in each fiscal year to support early childhood education programs operating in smaller communities and other programs pursuing higher levels of quality.

Ohio Excels looks forward to continuing our collaboration with policymakers as they work to improve the lives of all of our students. If you have any questions, I can be reached at <u>LisaGray@OhioExcels.org</u>.