

Ohio House of Representatives Finance Committee House Bill 33 Lynanne Gutierrez, Chief Operating & Policy Officer Groundwork Ohio March 28, 2023

Chair Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the Finance Committee, my name is Lynanne Gutierrez, and I am the Chief Operating and Policy Officer at Groundwork Ohio.

Today, I join with fellow advocates, professionals, community leaders and families from across Ohio in thanking you for the opportunity to provide interested party testimony on House Bill 33, Ohio's FY 2024-2025 budget bill, regarding the state publicly funded child care program and preschool program.

Groundwork Ohio is a statewide, nonpartisan public-policy research and advocacy organization that champions high-quality early learning and healthy development strategies from the prenatal period to age five, that lay a strong foundation for Ohio kids, families, and communities. Our vision is to make Ohio the best place to be a young child so that every child can reach their full potential.

Investing in Young Children Today and Tomorrow Strengthens Ohio

It is widely acknowledged that Ohio is facing a workforce crisis. Our states and industries are creating new jobs as they struggle to even maintain current capacity. The challenge to find accessible and affordable child care, which was made worse by the pandemic, is a serious problem, particularly in rural areas of Ohio that is greatly impacting our workforce crisis. It is costing families and the state economy billions of dollars and is worsening the labor shortage challenges for Ohio businesses and causing children to fall further behind.

The lack of investment in Ohio's young children and child care directly impacts a working parents' ability to provide for her family. This plays a foundational role in stabilizing business, rebuilding our economy and helping families thrive. According to a recent poll of Ohio voters and parents by Public Opinion Strategies, we have found the following: (See Appendix A, Public Opinion Strategies, Ohio Statewide Poll Key Findings)ⁱ

Parents Need Child Care to Work



WORKING PARENTS IN OHIO HAVE CUT BACK THEIR WORK HOURS.

Child Care is Difficult to Access & Afford

Lack of Child Care Negatively Impacts the Economy

How to Invest in Young Children in the FY24-25 State Budget

- We recommend a new investment in infant & toddler child care (See attached <u>HC0636X1)</u>. Infant & Toddler Child Care Infrastructure Grant–Allocate \$30 million of General Revenue Funds over the biennium to increase capacity of local communities, specifically Appalachian and communities with high infant mortality rates, to provide safe and developmentally appropriate child care for infants and toddlers.
- 2. <u>We recommend **increasing proposed funding for preschool (See attached HC0634)**.</u> Early Childhood Education Grant–Increase the proposed additional funding for the Early Childhood Education grants by an additional \$46 million over the biennium. These additional funds can support providing additional half-day preschool slots or for the piloting of full day preschool slots. For every \$1 million added to this program, 250 more low-income 3- and 4-year-olds gain access to preschool.
- 3. We recommend supporting the increase in publicly funded child care eligibility to <u>160% of the Federal Poverty Level (FPL) and providing scholarships to critical care</u> <u>occupations making between 160% and 200% FPL.</u> Increasing child care eligibility for publicly funded child care from 142% of the FPL to 160% expands access to child care for more Ohio families including a family of three that makes at or below \$17.72 per hour. A critical workforce support and opportunity for early learning, this will result in more than 15,000 children and families gaining access to care. Additionally, providing scholarships to critical care occupations will assist in stabilizing workforces that are in crisis including child care professionals, for whom child care is a barrier, and serving additional lowincome children.



I am happy to answer any questions you may have. Please use as a resource during the budget process. I can be reached directly via email at <u>lgutierrez@groundworkohio.org</u> or by phone at 614-204-6106.

¹ NOTE: All data referenced in this testimony is from the Public Opinion Strategies <u>Public</u> <u>Opinion Strategies, Ohio Statewide Poll Key Findings</u> attached hereto as Appendix A unless otherwise cited within the document.





MEMORANDUM

TO:INTERESTED PARTIESFROM:NEIL NEWHOUSE/JARRETT LEWIS/JAMIE WADOVICK GENTLE
PUBLIC OPINION STRATEGIESCC:SHANNON JONES, PRESIDENT & CEO, GROUNDWORK OHIOSUBJECT:OHIO STATEWIDE SURVEY: KEY FINDINGSDATE:MARCH 2, 2023

On behalf of Groundwork Ohio, Public Opinion Strategies completed a statewide survey of 800 registered voters and an oversample of 435 parents with children under the age of five in Ohio. The survey was conducted February 2-13, 2023 and has credibility interval of \pm 3.95% for the registered voter sample and \pm 5.36% for the parents oversample.

KEY FINDINGS

1. Early childhood education/child care are strong secondary issues on voters' minds.

Four-in-10 Ohioans (40%) and more than one-half of parents with children under five (51%) rank the issue of making sure children get a strong start in life through quality early childhood education programs as extremely important. And, more than three-in-ten Ohioans believe helping provide child care for working parents with young children (32%) and lowering the cost of child care (30%) is extremely important.

2. Ohioans, parents especially, are feeling the economic slowdown.

Nearly one-half of Ohioans (45%) and parents with children under five (47%) rate their own financial situation as only fair or poor. And, over a quarter of parents with children under five (27%) share they have been having serious problems paying their rent or mortgage. More than 4-in-10 parents with children under five (41%) share they are having serious problems paying their credit card bills over the last few months.

3. For Ohio parents, child care is difficult to access and afford.

Most parents with children under five (55%) believe child care is difficult to find, with a plurality of all Ohioans (46%) believing it has become harder to access child care since COVID-19 started. Further, most parents with children under five (52%) believe it has gotten harder to afford and access quality child care in the last year. When it comes to the cost of child care, Ohioans (84%) overwhelmingly believe child care is expensive.

4. Ohio parents are struggling to afford child care and put food on the table.

Nearly one-half of Ohioans (47%) are concerned about being able to put enough food on the table over the next year, with fully 58% of parents with children under five sharing that concern. Further, a majority of these parents (56%) say they are having issues accessing high quality child care. In fact, nearly three-quarters of parents with children under five (72%) are either concerned about being able to put enough food on the table over the next year or are having issues accessing high quality child care. In fact, able to put enough food on the table over the next year or are having issues accessing high quality child care.

5. **Problems with child care are having an economic impact.**

Nearly 4-in-10 working parents with children under five (38%) say they have had to miss work, leave early or lose focus because of challenges with child care. Further, almost one-third of working parents (32%) say they have lost more than five days of work in the past two years because of a lack of child care. And, among all Ohio working parents 4-in-10 (40%) have cut back on their work hours to care for their children. Putting this into real numbers using Census data, this means over 800,000 working parents in Ohio have cut back their work hours.

6. Ohioans acknowledge serious staffing shortages at child care facilities as a problem, with many saying their child has been wait-listed for a spot.

More than two-thirds of Ohioans (69%) say that local child care facilities in their area are having "serious staffing shortages." Further, a majority of parents with children under five (52%) say they or someone they know are on the waitlist for child care, and more than 4-in-10 (45%) of those parents on a wait list say they have been on it for more than six months.

7. There is a clear connection between the state's economy and child care.

When parents without child care are asked what would they be able to do if they had it, the dominant responses are "work more" and "get a job." And, parents who have child care agree that child care allows them to "work more." Further, fully two-thirds of Ohio moms with children under five who do not currently work full time (68%) say they would go back to work if they had access to high quality and affordable child care. Clearly, parents believe that child care allows them to work more, provide for their families and be productive members of Ohio's economy.

8. The support for increasing funding in Ohio for child care is broad and deep.

Fully 8-in-10 Ohioans (80%) and nearly 9-in-10 parents with children under five (87%) believe the state should increase funding for child care. Even across party lines this support remains high, with nearly 7-in-10 Republicans (69%), over three-quarters of Independents (78%) and nearly all Democrats (92%) wanting to see an increase in funding.

BOTTOM LINE

Ohioans are still feeling the economic slowdown. In an environment where labor shortages continue to be pervasive across the state/country, child care remains an economic issue. With nearly half of parents with children under five (47%) experiencing only fair or poor financial situations and Ohioans overwhelmingly believing it is expensive, affording child care becomes remains a significant barrier to further workforce participation.

Those who don't already have child care are running into issues accessing it. With serious staffing shortages taking place at Ohio's child care facilities, most parents with children under five say they or someone they know is on a waitlist—with nearly half of them (45%) saying it's a waiting period of more than 6 months. But, even those working parents who do have child care are having issues at work because of lack of child care coverage. They miss work, leave early, take days off, or cut back hours to care for their children.

Ohioans clearly understand and see the need for child care from an economic standpoint. They readily make the link between increasing access to child care and improving the state's economy.

H.B. 33 As Introduced

_____ moved to amend as follows:

1	After line 129691, insert:
2	"GRF 830XXX Child Care Infrastructure \$15,000,000 \$15,000,000"
3	In line 129699, add \$15,000,000 to each fiscal year
4	In line 129721, add \$15,000,000 to each fiscal year
5	After line 130041, insert:
6	"Section 423 CHILD CARE INFRASTRUCTURE
7	The foregoing appropriation item 830XXX, Child Care
8	Infrastructure, shall be used to award child care infrastructure
9	grants to entities to assist them in providing safe and
10	developmentally appropriate child care for infants and toddlers
11	in Appalachian communities and communities with high infant
12	mortality rates. The Director of Children and Youth, in
13	collaboration with the Director of Job and Family Services and
14	members of the Early Childhood Advisory Council, shall review
15	and evaluate grant applications. The review process shall
16	consider the needs of applicants and the ability of the
17	communities in which applicants are located to serve publicly
18	funded child care eligible infants and toddlers in
19	developmentally appropriate child care settings. These grants

HC0636X1

20 may be used to provide workforce supports, family engagement and 21 support, mental health services, professional development and 22 technical assistance, facilities improvement, and classroom 23 supplies. Applicants may include, but are not limited to, early 24 childhood collaboratives, nonprofit and for-profit programs, early head start programs, local government entities and child 25 26 care resources and referral organizations."

27 The motion was agreed to.

28

SYNOPSIS

- 29 Department of Children and Youth
- 30 Sections 423.10 and 423.

31 Appropriates \$15,000,000 in each fiscal year in new GRF ALI 32 830XXX, Child Care Infrastructure. Requires the funds to be used to award child care infrastructure grants to provide safe and 33 developmentally appropriate child care for infants and toddlers 34 35 in Appalachian communities and communities with high infant 36 mortality rates. Requires the DCY Director, in collaboration 37 with the ODJFS Director and members of the Early Childhood 38 Advisory Council, to review and evaluate grant applications and 39 in doing so, to consider the needs of applicants and the ability of the communities in which applicants are located to serve 40 publicly funded child care eligible infants and toddlers in 41 42 developmentally appropriate child care settings. Allows grants 43 to be used to provide workforce supports, family engagement and support, mental health services, professional development and 44 45 technical assistance, and facilities improvement and classroom 46 supplies.

H.B. 33 As Introduced

	moved to amend as follows:
1	In line 129687, delete "\$114,216,789 \$114,216,789" and
2	insert "\$137,216,789 \$137,216,789"
3	In line 129699, add \$23,000,000 to each fiscal year
4	In line 129721, add \$23,000,000 to each fiscal year
5	The motion was agreed to.
6	SYNOPSIS
7	Department of Children and Youth
8	Section 423.10

9 Increases GRF ALI 830407, Early Childhood Education, by 10 \$23,000,000 in each fiscal year.