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Ohio House of Representatives Finance Subcommittee on Health and Human Services House Bill 33 Lynanne Gutierrez, Chief Operating & Policy Officer Groundwork Ohio March 14, 2023

Chair Carruthers, Ranking Member Liston, and members of the Finance Subcommittee on Health and Human Services, 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 leaves Ohio's young children behind and jeopardizes our future workforce. All of Ohio's young children need early learning opportunities to ensure they can reach their full potential and a lifetime of success. According to the Ohio Department of Education, with only 38% of Ohio kindergartners entering the classroom ready to learn, and only 38% of Ohio students proficient in 8th grade math, workforce readiness is in jeopardy. It's no surprise that most children aren't ready to learn given that only about half of eligible low-income children ages 0-5 under 200% of the Federal Poverty Level, those that stand to benefit the most from early

learning interventions, are able to access any state funded child care, preschool or Head Start. (See Groundwork Ohio, <u>Early Childhood Data Dashboard</u>)

The lack of investment in Ohio's young children and child care directly impacts a working mothers' 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, nearly 70% of nonworking or part-time working moms with children under the age of five in Ohio said they would go back to work or work more hours if they had access to child care at a reasonable cost. (See Appendix A, Public Opinion Strategies, Ohio Statewide Poll Key Findings)ⁱ

Figure 1: Moms Need Child Care to Work

The lack of investment in Ohio's young children and child care restricts Ohio's workforce today in and in the future. A strong child care industry means parents can go back to work today knowing their child is receiving early learning experiences while building and strengthening the workforce of tomorrow.

- On average, child care costs are more costly than rent in Ohio. Our cost ratio is among the worst in the nation.
- Further, child care availability is severely limited. 60% of rural Ohioans and 30% of all Ohioans are living in a child care desert, defined as an area with three times as many children as licensed child care slots.
- 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. 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.
- 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."
- 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.

Figure 2: Child Care Wait Lists



The lack of investment in Ohio's young children and child care impacts Ohio's ability to attract new business investment across the state. Right now, Ohio parents are forced to choose between taking on full-time employment because they cannot afford the high cost of child care. According to a ReadyNation study published last month, Ohio's economy loses approximately \$3.9 billion per year due to infant-toddler child care issues. Nationally, the annual cost of these issues is \$122 billion in lost earnings, productivity, and revenue.

- 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.

Figure 3: 800,000 working parents have cut back their work hours



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

While there are many ways we can begin to improve outcomes for our young children, families and the state, focusing state efforts on its very youngest citizens is an urgent moral imperative as well as a wise state investment.

In Ohio, babies bear a disproportionate burden of our failing systems. Even where there have been investments in high quality birth-to-five interventions, disparities remain. In Ohio, infant mortality rates continue to be worse than the U.S. average at 6.9 infant deaths (under age 1) per 1,000 births, with a large and appalling racial disparity. The important goal of reaching a first birthday should be the floor, not the ceiling of success. Yet, upon birth, Ohio babies and their families are faced with insurmountable challenges:

- There are almost twice as many cases of neonatal abstinence syndrome in Ohio than in the U.S. overall.
- More young children experience maltreatment (child abuse or neglect under age 1) in Ohio than in most other states. The trend only gets worse for Ohio babies with a 20% increase from 2017 to 2020.

<u>Figure 4:</u> Early Learning Access for Ohio Infants & Toddlers (See <u>Early Childhood Data Dashboard</u>)

Less than 1 in 5 Ohio babies from families with low incomes have access to any early learning program.

This is why we ask you to implement the following recommendations for the state's FY24-25 budget:

- 1. We recommend a **new investment in infant & toddler child care**. 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. We recommend increasing proposed funding for preschool. 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**160% of the Federal Poverty Level (FPL). 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.

4. We support the **Department of Children & Youth:** We recommend supporting all investments made in pregnant women, infants, toddlers, and preschool age children in the Governor's Executive Budget. Our families have complex problems that require complex solutions. While new investments are critical, we must also work smarter. We are thrilled that the Governor is proposing a department that will be accountable to kids every single day. Bringing together the diverse staff that serves families across multiple agencies to work together under one mission in a cost neutral effort will bring wisdom, efficiency and, most importantly, accelerated solutions and results for children and families.

We look forward to working with the Ohio House and Senate to strengthen the Governor's vision, continuing to build and improve upon it to ensure all Ohio children and families can reach their full potential. Today we ask you to support these critical investments in young children. 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. Thank you for listening to Groundwork, today's panel, the voters, and most importantly, the families with young children that support these new investments.

While I know you will be hearing from a few families today about their personal challenges with child care, I invite you to review *Appendix B, Ohio Parent Voices on Child Care.* This provides a focused collection of family quotes, statements and stories from some of the many families who are working or caring for their children and not in attendance with us today. They lend their expert voices in a chorus of support for increased access to child care and preschool in the state of Ohio. The panel and I are happy to answer any questions today at the conclusion of all our testimony. Please us as a resource during the budget process and I can be reached directly via email at lgutierrez@groundworkohio.org or by phone at 614-204-6106.

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





MEMORANDUM

TO: INTERESTED PARTIES

FROM: NEIL NEWHOUSE/JARRETT LEWIS/JAMIE WADOVICK GENTLE

PUBLIC OPINION STRATEGIES

CC: SHANNON JONES, PRESIDENT & CEO, GROUNDWORK OHIO

SUBJECT: OHIO STATEWIDE SURVEY: KEY FINDINGS

DATE: 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.

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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.

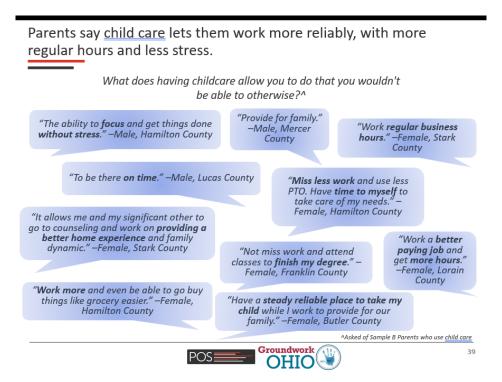
Ohioans clearly understand and see the need for child care from an economic standpoint. They readily make the link between increasing access to child care and improving the state's economy.

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Appendix B: Ohio Parent Voices on Child Care

This appendix consists of individual quotes from parents and voters across the state of Ohio.

<u>Figure 5:</u> Parents say child care lets the work more reliably, with more regular hours and less stress.



The following quotes are attributable to parents and voters who participated in the poll by Public Opinion Strategies referenced throughout this testimony:

- "It is nearly impossible to find a good place to send [my] kids because everywhere is full."-Mahoning County Father
- "I depend on my grandparents to help because I can't afford regular child care." Richland County father
- "My job is only fifteen dollars an hour and daycare is too expensive"-Franklin county voter
- "The cost of daycare is the same as a paycheck," so "it isn't worth it to go back to work." -Cuyahoga County mother
- "My family can't afford it, so my wife had to quit her job to stay home." -Lorain County father

- "A lot of Type A care in my area is full and there's a waiting list and I don't want my children in a house setting type of daycare." -Lucas County mother
- "The demand is greater than the services."- Lucas County father
- "Daycares are completely booked and you're on a waitlist for months unless somebody leaves."- Jefferson County mother
- "There are not even daycares for all the children needing care and the centers have very limited hours."-Seneca County parent
- "Having childcare allows me to miss less work and use less PTO."-Hamilton County mother
- "Having child care allows me to not miss work and attend classes to finish my degree" -Franklin County mother
- "Child care funding means people can go to work and not have to worry about missing work or how they will pay their bills."-Butler County voter
- "Not everyone can afford the best care," the child "should not be punished."-Muskingum County voter
- "Not everyone can afford to have a stay-at-home parent and children need access to high-quality support while parents work."- Lake County mother

The following are quotes attributable to Groundwork Ohio Family Action Network Members:

Learn more about the Network at www.GroundworkOhio.org/familyvoice

- "We live paycheck to paycheck. I've never even physically seen the amount of money it would take for all my young children to attend daycare at the same time."
- "The one-time grants offered by the state of Ohio are nice, but don't help our family's center attract new talent because they can't guarantee funding will exist to permanently raise wages."
- "I am now stuck in the vicious cycle of wanting to work and wanting to be productive, but without access to affordable healthcare and child care, I will not be able to cater to my children."
- "I have a degree in early childhood development, you see, I am not a babysitter I am an educator. I have influenced and educated thousands of children in the span of the 25 years I've worked in child care. Yet, the world does not view me as such, the government doesn't view me as such. I am treated less than a public-school teacher despite completing all the same tasks. I am treated as a babysitter despite providing education and learning experiences. I am paid barely a livable wage, an industry-wide issue. I'm working 40-45 hours per week as a child care Director and teacher. My son who is 17 years old works at Dairy Queen and makes \$1.50 less. The entry-level wage at Amazon is \$20 per hour with no degree, no experience, and no impact on the lives of young children. I say that to say, I now find myself in a hamster wheel that I can't seem to escape."
- "Child care is difficult enough in school settings let alone after school is over but before most people's workday ends. I am lucky to have a work day that ends at 4:30

when other parents can have to work till 6 or 7 pm. Even still, that leaves me having to meet my job responsibilities and find a safe place for my kids for more than 2.5 hours every day. Despite being eligible for child care vouchers through Cuyahoga County, a manager with Cuyahoga County jobs and family services told me in February 2023 that they are so far behind processing applications that they hadn't started on applications submitted in September 2022. I am yet to receive a phone call saying that my vouchers have been approved for the 2022-2023 school year and the school year is going to be over in less than 90 days. This is for a family that has a verified special needs child."

- "I'm currently unemployed. When I was pregnant with my youngest, I looked into child care. And the cost was going to be \$350 per week for just one child, and then \$150 per additional child. I'm essentially still in the same position of not being able to afford rent or food once I've paid for child care."
- "Right now, I make less than minimum wage in my small in-home child care. My family lives on less than \$30,000 a year with my husband and I both working. Each month it gets harder to pay the bills and every month I must answer the question, 'can I afford to keep providing child care?' At any given time, I could be forced to close due to not being able to afford to stay open, which will result in taking yet one more quality child care program away from children and families." -Family Child Care Owner Sabina, OH
- "I had three young children at home ages 3, 4, and 5. Becoming a family child care provider gave me the opportunity to work from home. It began as a temporary job for me, but living in the community that I live in, I quickly saw that there was a need for quality care and a safe place for children to come to."-Family Child Care Professional Mahoning County
- "I had to ask my employer to reduce my wage by \$2/hr. so that I could qualify for childcare."-Groundwork Ohio Family Action Network Parent
- "How can a single mother who makes 200% of the Federal Poverty Level afford to pay for child care?"
- "It's hard to find services for my children with special needs. More funding is needed to support children with special needs like mine."
- "Several families in my groups shared how they qualified for programs and interventions for their children but could not access them due to lack of staffing or availability in the community."
- "A lot of people don't understand that without child care, I cannot continue to work. If I can't continue to work, I can't continue to take care of my kids."

Ohio families demand that their voices be heard and are communicating with policymakers and communities to solve the child care crisis. The following are a sampling of families who have shared their stories and families with Ohio policymakers recently:







Hello my name is... Sarah Madden and I want every family to have access to child care.

A little about my family:

I have ___ infant(s) and/or toddler(s) named:

I have ___ preschooler(s) named:

II have 3 school-aged child(ren) named: Brayden, Kinsley, Wyatt

Please increase investments in child care during this budget season because:

Check all that apply:

- O I work full-time and still can't afford child care.
- O I work multiple jobs and still can't afford child care.
- If I had access to childcare I would be able to return to work or work more.
- O If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Sarah's family resides in Richland County







Hello my name is... Guadalupe Bright and I want every family to have access to child care.

A little about my family:

Baby boy #2 due April

I have $\frac{1}{1}$ infant(s) and/or toddler(s) named: Tenoch

I have ___ preschooler(s) named:

I I have ___ school-aged child(ren) named:

Please increase investments in child care during this budget season because:

Check all that apply:

- ✓ I work full-time and still can't afford child care.
- work multiple jobs and still can't afford child care.
- If I had access to childcare I would be able to return to work or work more.
- If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.

Other:

Guadalupe's family resides in Franklin County.







Hello my name is... Monique Compton and I want every family to have access to child care.

A little about my family:

I have ___ infant(s) and/or toddler(s) named:

I have <u>1</u> preschooler(s) named:|Srae|

II have 2 school-aged child(ren) named: Jacob and Kendra

Please increase investments in child care during this budget season because:

Check all that apply:

- O I work full-time and still can't afford child care.
- work multiple jobs and still can't afford child care.
- If I had access to childcare I would be able to return to work or work more.
- If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Monique's family resides in Stark County







Hello my name is... **Holly Unger**

these are my children and I want every family to have access to child care.

A little about my family:

I have 2 infant(s) and/or toddler(s) named: Emree, Mikey

I have ____ preschooler(s) named:

I I have <u>6</u> school-aged child(ren) named:
Anthony, Haylee, Chase, Hattie, Cameron, Jameson

Please increase investments in child care during this budget season because:

Check all that apply:

- I work full-time and still can't afford child care.
- O I work multiple jobs and still can't afford child care.
- O If I had access to childcare I would be able to return to work or work more.
- If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- O My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Holly's family resides in Licking County.







Hello my name is...

Shaba Douglas and I want every family to have access to child care.

A little about my family:

I have ___ infant(s) and/or toddler(s) named:

I have $\underline{1}$ preschooler(s) named:

II have $\underline{1}$ school-aged child(ren) named:

Please increase investments in child care during this budget season because:

Check all that apply:

- work full-time and still can't afford child care.
- 💙 I work multiple jobs and still can't afford child care.
- If I had access to childcare I would be able to return to work or work more.
- If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Shaba's family resides in Franklin County.







Hello my name is...

Malissa Harris and I want every family to have access to child care.

A little about my family:

I have $\underline{1}$ infant(s) and/or toddler(s) named: Julian

I have ___ preschooler(s) named:

II have 2 school-aged child(ren) named: Vivian, Lilian

Please increase investments in child care during this budget season because:

Check all that apply:

- O I work full-time and still can't afford child care.
- O I work multiple jobs and still can't afford child care.
- If I had access to childcare I would be able to return to work or work more.
- If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Malissa's family resides in Franklin County.







Hello my name is...

Luz Martinez and I want every family to have access to child care.

A little about my family:

I have ___ infant(s) and/or toddler(s) named:

I have ___ preschooler(s) named:

I I have __3 school-aged child(ren) named:

Gabrilella, Curtis Xaamara

Please increase investments in child care during this budget season because:

Check all that apply:

- work full-time and still can't afford child care.
- work multiple jobs and still can't afford child care.
- O If I had access to childcare I would be able to return to work or work more.
- O If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Luz's family resides in Cuyahoga County.







Hello my name is... Raya Anderson and I want every family to have access to child care.

A little about my family:

I have ___ infant(s) and/or toddler(s) named:

I have ___ preschooler(s) named:

I I have __1 school-aged child(ren) named: Amir

Please increase investments in child care during this budget season because:

Check all that apply:

- work full-time and still can't afford child care.
- O I work multiple jobs and still can't afford child care.
- O If I had access to childcare I would be able to return to work or work more.
- O If the income qualification for child care subsidies were higher, I could have taken a raise or a better job to provide more for my family.
- My child needs high-quality child care because this is an important time for them to learn and grow so they are successful later in life.
- Other:

Raya's family resides in Montgomery County.