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**Ohio Senate
Finance Committee
Sub. HB 33
Lynanne Gutierrez, Chief Operating & Policy Officer
Groundwork Ohio
June 8, 2023**

Chair Dolan, Vice Chair Johnson, Vice Chair Cirino, Ranking Member Sykes 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 Substitute House Bill 33, Ohio's FY 2024-2025 budget bill, regarding the state publicly funded child care 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.

Upon review of the Senate's proposal, we are pleased to see that you have maintained the Department of Children and Youth. We also are deeply disappointed to find that so many of your choices undermine its intent by disinvesting in vital programs and solutions for Ohio's youngest children. While the House had cut the Department by \$18 million over the biennium and eliminated a \$150 million dollar investment of federal funds in child care scholarships for critical care occupations, **the Senate has further cut the Department by an additional \$149 million and walked back significantly on an investment of more than \$200 million dollars in increased access to child care. At this point in the budget process, Ohio's youngest and most vulnerable children have weathered cuts that surpass A HALF A BILLION DOLLARS from Governor DeWine's proposal.** The following is a summary of our asks to restore Governor DeWine's proposed investments in young children and families:

1. **Restore devastating changes to Ohio's child care system that diminishes our quality system completely.**
 - a. Restore the agreement between the legislature and the Governor regarding Step Up to Quality in HB 45 (Lame Duck Session, December 2022) that in effect

exempted 60% of all publicly funded programs (those who serve low-income children on subsidy) from any quality requirements. The Senate substantially changed this agreement in the substitute bill to impact even more programs (doubling the exemption threshold), frustrating the purpose of the quality rating and improvement system altogether.

- b. Remove the prohibition of the Step Up to Quality rating system from even considering highly trained staff as part of its requirements or its tiered rating system. This prohibition de-professionalizes an already challenged child care workforce ensuring that no trained professionals will ever work in child care programs.
 - c. Remove anti-quality provisions that as a result of the senate substitute bill have been extended to now include public preschool, where longstanding current law requires public preschool to be highly rated (3-5 stars in the Step Up to Quality system).
 - d. Restore the state's remaining commitment to quality early learning by restoring the Governor's quality support fund by \$14 million over the biennium (the Senate proposed cutting from \$20 million to \$13 million per year) to achieve quality goals, a 35% cut to the line over the biennium.
 - e. Restores funds cut to support child care licensing funding to ensure the safety of young children in care (\$1.7 million over the biennium).
2. **Restore provisions to support increased access to publicly funded child care relative to the urgent need and remove provisions that harm current access.**
- a. Restore the Governor's proposed increase for publicly funded child care eligibility from 160% FPL to 145% FPL. The Senate's meager three percentage points increase in eligibility from FY23 (current eligibility at 142% FPL) is nominal and the cut equates **to an effective \$202 million cut over the biennium and 15,000 children and families losing access to needed care.**
 - b. Restore the House's cut of **\$150 million** in Ohio ARPA funds to support 12,000 child care scholarships for parents in critical care occupations (including child care professionals) earning between 161-200% FPL.
 - c. Restore the Governor's proposed requirement that the state conduct a child care market rate survey every year so that program rates could be updated mid-biennium to respond to the rise in inflation and skyrocketing child care costs, contributing to program closures.
 - d. Restore House proposed Child Care Infrastructure grants focused on babies and toddlers. The Senate cut this investment in half, leaving \$15 million over the biennium to support child care deserts. Additionally, restore the House language supporting the investment where the Senate specifically eliminated the focus on infant mortality communities while using the reduced funds only to support Appalachian communities. The House specified that both communities should receive targeted investment.
3. **Recognize and act on the need for investments in early childhood mental health.**
- a. Restore additional Senate cuts to the Governor's proposed investment in the only state budget line discreetly supporting young children's mental health. The House cut the executive proposal by \$10 million, and the Senate further cut it by \$5.5 million over the **biennium leaving the program with only \$3**

million and \$4 million in each of the respective fiscal years. This is a nearly 70% cut to the Governor’s proposed investment.

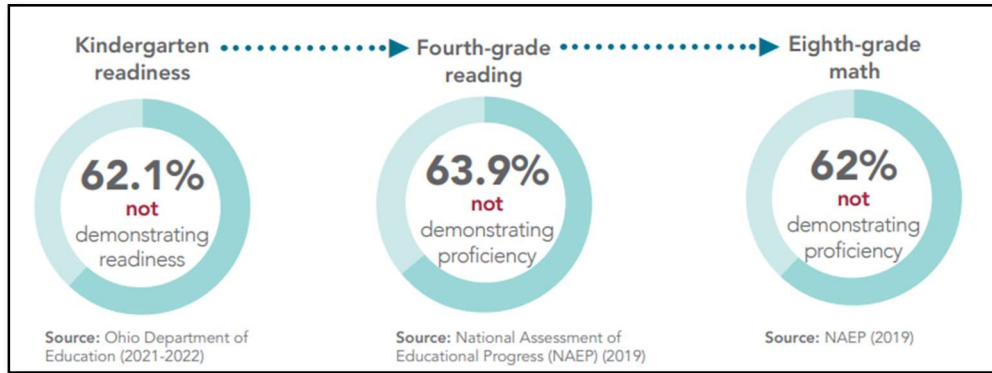
4. **Support the implementation of the longstanding leadership of the Governor’s Children’s Services Transformation task force.**
 - a. The Senate and the House cut **Family and Children’s Services by a total of \$111 million** over the biennium, a nearly 20% cut to the line. Restore cuts to vulnerable children.
5. **Support the Governor’s commitment to pregnant women and babies and don’t stall progress on the response to the infant mortality crisis.**
 - a. Restore the Governor’s proposed Infant Health Grants which were eliminated. (\$1.587 million)
 - b. Restore the Governor’s proposed Infant Vitality grants which the Senate reduced by \$1 million each year.
 - c. Restore cuts to the Governor’s proposed increase to Help Me Grow Home Visiting—a near \$20 million cut over the biennium equating to a 15% cut in the line.
 - d. Restore cuts that support safe housing for pregnant women, Healthy Beginnings at Home, which the Senate reduced from the Governor’s budget proposal of \$17 million to \$3.5 million over the biennium, a nearly 80% cut to the line.
 - e. Restore the Governor’s proposal to extend Medicaid coverage to pregnant women and children under age 19 with incomes up to 300% of FPL which the Senate eliminated.
 - f. Restore the Governor’s proposal to extend Medicaid coverage to children adopted through private agencies with special health care needs which the Senate eliminated.
 - g. Restore the House’s proposal to implement multi-year continuous Medicaid coverage for eligible babies, age 0-3, that was eliminated in the Senate proposal.
 - h. Restore the House added provision supporting a pathway for Medicaid reimbursement of Doula services for Medicaid eligible pregnant women.
 - i. Restore TANF earmarks in FY25 that support children and families—for example, the Senate cuts eliminate:
 1. The Ohio Commission on Fatherhood earmark in FY25 completely and reduces the FY24 earmark by half (to \$2.5 million).
 2. The Ohio Children’s Trust Fund in FY25 completely.
 3. The Children’s Hunger Alliance in FY25 completely.

Investing in Young Children Strengthens Ohio’s Workforce, Today & Tomorrow

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. 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

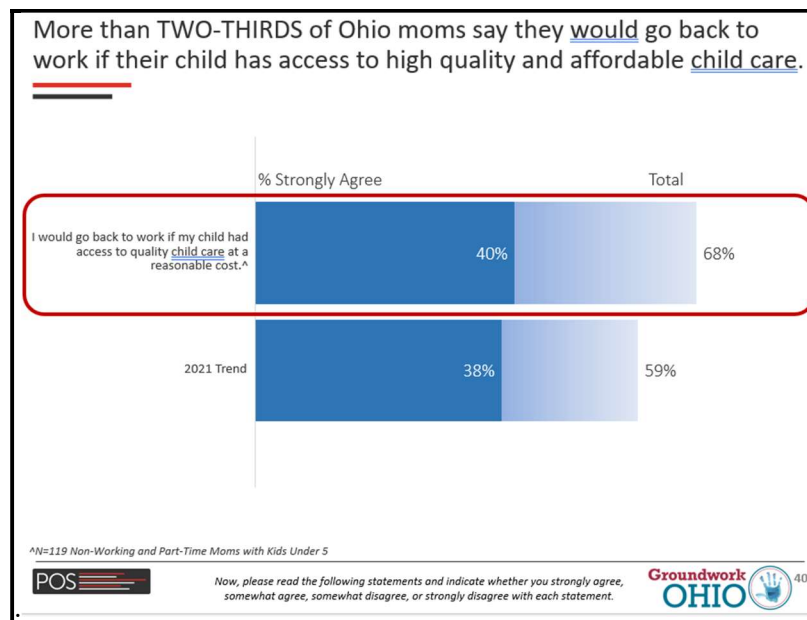
stand to benefit the most from early learning interventions, are able to access any state funded child care, preschool or Head Start. (See *Groundwork Ohio, Early Childhood Data Dashboard*)

Figure 2: Kindergarten Readiness, Children Who Start Behind Stay Behind



The lack of investment in Ohio’s young children and child care directly impacts a working mothers’ ability to provide for her family.

Figure 3: Moms Need Child Care to Work (See Appendix A, *Public Opinion Strategies, Ohio Statewide Poll Key Findings*)



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.

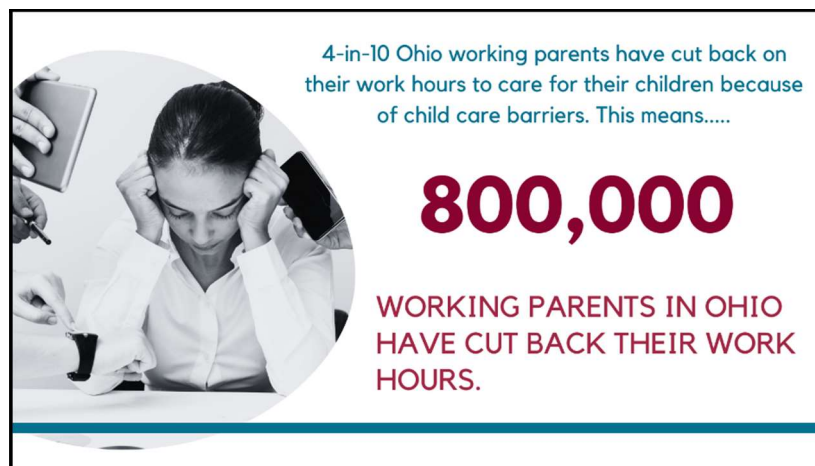
- On average, child care costs are more costly than rent in Ohio. Our cost ratio is among the worst in the nation.
- Further, child care availability is severely limited. 60% of rural Ohioans and 30% of all Ohioans are living in a child care desert, defined as an area with three times as many children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

Figure 4: 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.

Figure 4: 800,000 working parents have cut back their work hours



Given these alarming challenges of working parents and the recognition of these challenges by voters demonstrated through the poll, it is no surprise that **80% of voters and 87% of parents favor increasing funding in the state for child care and early learning programs.**

Now is the time to make the bold changes necessary to focus on the results our taxpayers demand, our parents expect and our communities need –that means investing in young children and child care. Ohio parents, voters, child care professionals and business leaders support these investments. Hundreds of Ohio parents are in support of Governor DeWine’s child care and young child proposals. (See, *Appendix B, Parent Letter Printed in Columbus Dispatch on 6/8/23*). Several dozen statewide early childhood organizations and nearly 1,000 frontline child care professionals have signed a letter elevating the need for more investment in the early childhood workforce including elevating the need to restore Governor DeWine’s proposed \$150 million in child care scholarships that include child care professionals. (See, *Appendix C, Workforce Letter Printed in Columbus Dispatch on 5/9/23*) In addition to the child care workforce, business leaders are also calling for more state investment in child care. In October 2022, the Ohio Chamber of Commerce released its [Blueprint for Ohio’s Economic Success](#), leading its recommendations for reducing barriers to employment with the recommendation to remove child care as a barrier for caregivers and working parents. Earlier this year, nearly 40 business leaders from across the state signed an open letter to policy makers supporting investments in child care, including the \$150 million child care scholarship investment reflected in SC 329 (See *Appendix D, Business Letter Printed in Columbus Dispatch on 3/29/23*). These business leaders understand that solving the child care crisis requires increased investment in a quality-based system. They won’t recover workers who’ve left or recruit a new workforce if only sub-standard care is available.

Thank you for your consideration. We urge you to reconsider the sub bill’s proposed approach to the child care crisis and invest in Ohio’s pregnant women, babies, toddlers, preschool children and their families. I am happy to answer questions you have today. Please use 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.

ⁱ NOTE: All data referenced in this testimony is from the Public Opinion Strategies [Public Opinion Strategies, Ohio Statewide Poll Key Findings](#) attached hereto as *Appendix A* 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.

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.



An Open Letter FROM OHIO PARENTS to Ohio Policymakers

WE NEED YOU TO INVEST IN CHILD CARE

Dear Members of the Ohio General Assembly,

We are parents. We are coming together to deliver a very important message: **Ohio's parents need your help.** For years now, we've been calling for the state to increase the support of families and children by addressing the child care crisis. Instead, year after year, the situation has worsened. For us, for our children, and for the good of us all, please hear us now—**our child care system is failing and children are suffering without access to vital services. We need increased investment for children and families in Ohio's biennial budget.**

We are also the workforce. We help Ohio's major companies stay strong and small businesses grow. We start businesses. We support communities. **We can only be parents and workers if we have safe, high-quality child care that we can afford and access.**

We are struggling. From our biggest cities to our rural communities, child care solutions for parents are all-too-often out of reach for families of all incomes. Limited access to reliable, safe child care is impacting all of us—families, communities, and businesses. Centers are closing, waitlists are growing. While we work, our babies, toddlers, and preschoolers need a place to go that is nurturing, supportive, and healthy. **Access to child care will enable our children to grow and learn. That will enable us to work and earn.**

We aren't alone. A new statewide survey found that more than **two-thirds** of non-working or part-time working Ohio moms say they **would go back to work or work more hours if they could access high-quality and affordable child care, and four-in-10 working parents have cut back on their work hours to care for their children.** This survey is just one more in a long line of research and reports that tell the same story over and over again—**the child care crisis hurts children, families, and communities. It is costing Ohio.**

We need your help. We, the undersigned, are feeling the brunt of Ohio's child care shortcomings. We see the desperate need for more affordable and accessible child care options. **Ohio's biennial budget, which is currently being negotiated, is the prime opportunity for our state to make robust and impactful investments to save child care. To expand early learning. To improve the health and well-being of young children.** This investment would allow more parents to work now, and more children to have the strong, safe start in life that they deserve.

We are speaking up. We are asking our elected leaders in the Ohio legislature to take action in Ohio's biennial budget for parents and for the future of our state—our children.

Sincerely,

Michelle Anderson, Jefferson County
Raya Anderson, Montgomery County
Trina Averette, Franklin County
Jennifer Baker, Darke County
Sharita Banks, Columbiana County
Kathryn Bausman, Hancock County
Jonathon Blalock, Fairfield County
Guadalupe Bright, Franklin County
Jordan Bright, Union County
Deborah Brungs, Greene County
Judith Bucher, Allen County
MaryBeth Bush, Trumbull County
Jennifer Butler, Logan County
Corrine Callaghan, Athens County
Maya Camhi, Cuyahoga County
Stacey Camp, Adams County
Betty Cantley, Lorain County
Monique Compton, Stark County
Analisa Condon, Hamilton County
Christina Conley, Ashtabula County
David Crampton, Cuyahoga County
Kay Davis, Guernsey County
Charis Davis, Scioto County
Shaba Douglas, Franklin County
Jessica Draper, Defiance County
Julie Ehemann, Shelby County
Khalilah Evans, Montgomery County
Demetria Foster, Madison County
Camille Freking, Auglaize County
Saraya Griffith, Greene County

Tina Gross, Marion County
Carly Hall, Montgomery County
Christina Hampton, Pike County
Tricia Harrel, Erie County
Christina Holden, Montgomery County
April Hubbard, Lake County
Pecola Hunter, Mahoning County
Christina Hutton, Miami County
Joe Jarvis, Clermont County
Lori Jarvis, Clermont County
Marcy Jett, Mercer County
Megan Johns, Portage County
Brianna Johnson, Hamilton County
Mario Johnson, Lorain County
Rebekah Johnson, Lorain County
Denise Johnston, Allen County
Janine Kaiser, Cuyahoga County
Kristin Koester, Seneca County
Sara Madden, Richland County
Sarah Madjohden, Ashland County
Luz Martinez, Cuyahoga County
Christia Matthey, Medina County
Pamela McCoy, Fairfield County
Keesha McGee, Highland County
Jennifer Montoney, Huron County
Christine Murphy, Putnam County
Alecia Murray, Allen County
Adam Nation, Cuyahoga County
Talisa Norman, Cuyahoga County
Lindsey Parker, Lawrence County

Michelle Peake-Warren, Allen County
Brittany Pope, Cuyahoga County
Carolyn Powell, Butler County
Ami Presley, Williams County
Raegan Presnell, Lucas County
Eman Qeshta, Warren County
Ron Rees, Washington County
Daniel Rogers, Delaware County
Hayllie Schmucker, Tuscarawas County
Julie Senff, Wayne County
Lisa Sensale Yazdian, Butler County
Melissa Shaw, Knox County
Amy Shideler, Cuyahoga County
Tania Shinkawa, Geauga County
Debra Siegel, Cuyahoga County
Gwen Simmons, Cuyahoga County
Chardonnay Starr, Hamilton County
Suzanna Thiese, Summit County
Tyra Thomas, Franklin County
Patricia Tomlinson, Stark County
Dawn Turner, Belmont County
Kamilah Twymon, Franklin County
Holly Unger, Licking County
Eric Unger, Licking County
Katie Wallace, Campbell County
Chanda Williams, Cuyahoga County
Bernie Willis, Clark County
Robbie Willis, Cuyahoga County
Amy Wright, Fayette County
Kathi Yevtich, Fulton County

View the list of hundreds of parents who have signed this letter to Ohio policymakers.

Visit: groundworkohio.org/parents

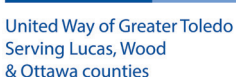


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Prioritize Investments in Child Care in the State Budget

SUPPORT THE WORKFORCE BEHIND THE WORKFORCE

AN OPEN LETTER TO OHIO POLICYMAKERS



Dear Members of the Ohio General Assembly,

Each week, more than 82,000 child care professionals across the state care for and educate Ohio's youngest children while providing critical support for working parents. They are the backbone of our state's economy — **the workforce behind the workforce**. And this critical pillar of our economy is in crisis.

Child care providers serve a vital role in our communities and economies:

- Children need quality child care for healthy development and growth.
- Parents need quality child care so they can work to provide for their families.
- Employers need quality child care so that they can have a reliable workforce.
- **BUT professionals are leaving the child care workforce, creating a significant gap.**

We depend on high-quality, accessible child care in Ohio, and yet the **child care workforce is shrinking and needs support**: they are underpaid, under-resourced, and struggling to meet the needs of children and families across our state.

Our state's short- and long-term economic success is impossible without quality child care programs and the passionate educators and administrators who lead them. Yet every week we see classrooms closing and child care waitlists growing due to the lack of child care professionals.

And there is no mystery as to why our child care system is in crisis: child care pays among the **lowest wages of all frontline workers with an average hourly wage of only \$12.00/hour**, contributing to a 29.4% employee turnover rate.

Child care professionals are leaving their classrooms for much higher-paying jobs in places like Target, Costco, Amazon, and even McDonald's. Families are left without the care they need and children miss out on the early, responsive learning experiences they need for healthy development and school readiness. More than 62% of Ohio kindergartners are not prepared for school and as the child care infrastructure continues to erode, fewer and fewer children will enter kindergarten ready to learn.

Notwithstanding the overwhelming evidence around the need for more investment in our child care system, the Ohio House cut two key provisions originally proposed by Governor DeWine. We ask the state legislature to restore these cuts to the governor's proposal:

- **Child Care Capacity:** An investment of \$150 million for child care scholarships for the direct care workforce, including early childhood professionals, and to support the opening of additional child care classrooms.
- **Early Childhood Mental Health:** An increased investment of \$20 million over the biennium to expand Early Childhood Mental Health Consultation that was reduced by \$10 million in the Ohio House.

At the same time, we celebrate the targeted investments that build upon the Governor's proposal and **ask the state legislature to maintain the following investments and policies that were included in HB #33, as passed by the Ohio House:**

- **Targeted Infant & Toddler Child Care Capacity Building in Child Care Deserts:** A new investment of \$30 million in state funds to address child care deserts, specifically in Appalachia and communities with high infant mortality rates, to provide safe and developmentally appropriate child care for infants and toddlers.
- **Child Care Eligibility:** An expansion of the state's publicly funded child care program from 142% of the Federal Poverty Level (FPL) to 160%, which would result in more than 15,000 children and families gaining access to care.
- **Preschool:** An additional \$61 million per year in Early Childhood Education grants, estimated to expand preschool to an additional 15,250 3- and 4-year-olds.

Children cannot tell policymakers what they need to thrive, but we can. As child care professionals, we see the positive impacts of high-quality, accessible child care on our youngest citizens. We also see the harsh reality as the child care crisis continues to worsen. **Providers can no longer hold this system together without meaningful investment that supports the child care infrastructure.** Rebuilding and reinforcing the workforce behind the workforce is essential to Ohio's economic vitality and future strength.

Sincerely,

Shannon Jones
President & CEO,
Groundwork Ohio

Gloria Blevins
President, Black Child Development
Institute Ohio

Qianna Tidmore & Kimberly Tice
Co-Executive Directors,
Ohio Association for the Education
of Young Children

Julie Stone
Executive Director,
Ohio Head Start Association

Todd Barnhouse
CEO, Ohio Child Care Resource and
Referral Association

Kim Eckhart
Interim Director,
Children's Defense Fund-Ohio

Dustin Holfinger
State Government Relations Director,
American Heart Association

Melissa Wervey Arnold
CEO, Ohio Chapter-American
Academy of Pediatrics

Michelle Bieber
President, Ohio Association of Child
Care Providers

Rachel Konerman
Executive Committee Chair,
Ohio Voices for Learning

Vanessa Freytag
President & CEO,
4C for Children

Eric Karolak
CEO,
Action for Children

Jennifer Dodge
Executive Director,
Child Care Resource Center
(CRCC)

Scott Hasselman
Executive Director,
Early Childhood Resource Center

Michelle Corrigan
Director, COAD4Kids
Corporation for Ohio
Appalachian Development

Nancy Mendez
President & CEO,
Starting Point

Dr. David James
Executive Director,
Summit Education Initiative

Marie Willins
President,
Southwest Ohio Association for the
Education of Young Children

Tamara Lunan
Care Economy Organizing Director,
Ohio Organizing Collaborative

Kelley Griesmer
President & CEO,
The Women's Fund of Central Ohio

Chara Fisher Jackson
Executive Director & CEO,
Preschool Promise Cincinnati

Sharon Sobol Jordan
President & CEO, United Way of
Greater Cleveland

Mario Basora
CEO, Future Ready Columbus

Liz Brown
President & CEO,
YWCA Columbus

Moira Weir
President & CEO,
United Way of Greater Cincinnati

Robyn Lightcap
Executive Director,
Preschool Promise Dayton

Michael Corey
Executive Director,
Human Services Chamber of
Franklin County

Carrie Woody
CEO, United Way of
Fairfield County

Shawna Rohrman, Ph.D.
Interim Director,
Invest in Children

Stephanie Geneseo
All Nestled Inn, Lawrence County
Family Child Care Provider

Shannon Starkey-Taylor
CEO,
Learning Grove

Hannah Halbert
Executive Director,
Policy Matters Ohio

Dr. Thea Wilson
Vice President of Children & Families,
Step Forward

Wendy Pestrue, J.D.
CEO,
United Way of Greater Toledo

Alicia Miller
Executive Director, The Women's Fund
of Greater Cincinnati Foundation

Dawna Fogarty
CEO,
Warren County Community
Services, Inc.



View the list of nearly 1,000 child care professionals supporting this letter: GroundworkOhio.org/workforce

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Prioritize Investments in Child Care in the State Budget

AN OPEN LETTER TO OHIO POLICYMAKERS

Dear Members of the Ohio General Assembly,

For businesses to compete, grow, and succeed—and for Ohio’s economy to thrive—we must build a strong workforce foundation and pipeline for continually increasing participation.

The child care crisis facing our state is among the primary challenges in recruiting and retaining reliable and productive workers. Parents’ decisions about work are greatly impacted by whether they have access to quality, affordable child care. The harsh reality is, in our state, they all-too-often do not.

As cited by the Ohio Chamber of Commerce, child care costs in Ohio are on average more costly than rent, with the cost ratio among the worst in the nation. There is also limited child care availability, with **60% of rural Ohioans and 30% of all Ohioans** living in a “child care desert”—an area with more than 50 children under five and no providers, or an area with three times as many children as licensed child care slots.

Make no mistake—this is a crisis that is also hamstringing our economy. In fact, the lack of quality child care for children ages three and younger is costing our country **\$122 billion a year** in lost earnings, productivity, and revenue, and Ohio’s economy loses an estimated **\$3.9 billion per year** due to child care issues, according to the Council for a Strong America, ReadyNation Report from February 2023.

Specifically, the lack of quality, affordable child care is a significant contributor to ongoing workforce challenges and labor shortages, which, according to the National Federation of Independent Business, remain among the top problems facing businesses. U.S. Chamber of Commerce studies show that **half of all workers and nearly 60% of parents** cite lack of child care as their reason for leaving the workforce, and **1 in 3 unemployed women** are not returning to the workforce because they must provide care for a family member.

Our state and our businesses are in dire need of strategic state investment in early childhood education, as expanding access to publicly funded childcare will help more people enter and remain in the workforce. Not only will it address the workforce challenges of today, but access to quality early childhood education is a two-generation workforce approach that also prepares the future workforce for school, career, and lifelong success. Research shows these investments have a domino effect, with each step predictive of the next—from kindergarten readiness to third grade reading achievement to eighth grade math achievement to high school graduation to postsecondary attainment. Ultimately, public policy to improve outcomes for our youngest Ohioans will also ensure the workforce of tomorrow is prepared to excel and contribute to a thriving economy in the future.

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That is why we—business and community leaders from across the state of Ohio—are strongly urging our state legislature to protect and pass through the upcoming biennial budget the new investments to increase accessibility and affordability of quality early education proposed by Governor DeWine. This includes the following measures:

- **Child Care Capacity:** An investment of \$150 million of state ARPA funds to provide child care scholarships and to increase infant and toddler child care capacity in communities throughout the state.
- **Child Care Eligibility:** An expansion of the state’s publicly-funded child care program from 142% of the Federal Poverty Level (FPL) to 160%, which would result in more than 15,000 children and families gaining access to care.
- **Preschool:** An additional \$46 million per year in Early Childhood Education grants, estimated to expand preschool to an additional 11,525 children under 200% FPL.



Even with these targeted investments, too many children and their families will still be left out. They are just the beginning of what is needed to fully address the child care crisis facing kids, parents, and Ohio businesses, but they are a vital step in the right direction.

Sincerely,

Pat Tiberi
President & CEO
Ohio Business Roundtable

Gordon Gough
President & CEO
Ohio Council of Retail Merchants

Janetta King
Midwest Director
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Don DePerro
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John Barker
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