

**Senate Workforce and Higher Education Committee
Senate Bill 273
Troy Hunter, Senior Policy Director
Groundwork Ohio
November 13th, 2024**

Chair Cirino, Vice Chair Reineke, Ranking Member Ingram, and members of the Workforce and Higher Education Committee, my name is Troy Hunter, and I am the Senior Policy Director 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 proponent testimony on Senate Bill 273, to establish a Child Care Cred 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.

Business leaders from Ohio and across the nation are increasingly alarmed by the child care crisis, recognizing its role in shaping the future workforce. There is a need for a reliable, growing, and diverse workforce to drive economic success. However, there are extensive challenges to securing such a workforce due to the lack of quality, affordable child care options. Particularly, small businesses in Ohio are struggling with recruitment and retention efforts, with nearly half citing the lack of available or affordable child care as a major obstacle¹. Parents face dire consequences due to inadequate access to quality child care. **Over 800,000 working parents in Ohio have been forced to reduce their work hours due to child care barriers²**, hindering their professional growth and financial stability and **4 out of 10 parents have missed work, left early, or lost focus due to child care challenges³**. Affordability is a significant concern, with child care expenses often surpassing other essential costs such as mortgage or rent payments.



¹ Goldman Sachs 10,000 Small Business Voices

² The Ohio Department of Children and Youth

³ Groundwork Ohio Child Care Poll, 2023

The burdensome cost of child care is preventing more mothers from entering the workforce and child care expenses force many families to make difficult financial decisions. **Two out of every three non-working Ohio moms with children under age 6 would return to work or work more hours if they had access to affordable quality child care⁴.**



Ohio Example: The average salary of a clerk at one of Ohio’s top employers, who employs more than 465,000 people, is approximately \$30,000 per year. A single mother with an infant in this position would make too much to qualify for Publicly Funded Child Care. Full time care for an infant costs more than \$12,000 per year in our state. **This means that over 40% of that mother’s paycheck would go to pay for child care alone.**



Many Ohioans are living in areas where there are few ,if any, child care slots to be had and this child care crisis exacerbates workforce shortages, with economic studies estimating an annual loss of \$3.9 billion to Ohio's economy due to child care issues⁵. Lack of quality child care options leads to workforce disruptions, as **nearly 60% of parents have cited the lack of child care as the reason for exiting the workforce⁶** .

In collaboration with business leaders, Ohio can help in addressing the child care crisis as a workforce strategy. Investing in accessible and affordable child care can enable non-working parents to reenter the workforce or increase their working hours.

Models similar to the Child Care Cred program are showing promising results in other states as a way to reduce child care costs by equally sharing them between employers, employees, and the state. This model is brings stability to both parents and child care providers. As we consider approaches to improve Ohio's child care system, we can learn from successes in other states to build on what works. By passing SB 273, we will enable more public-private

⁴ Groundwork Ohio Child Care Poll, 2023

⁵ Council for a Strong America, Ready Nation Report 2023

⁶ U.S. Chamber of Commerce

partnerships and encourage business investment in solutions like Child Care Cred programs and beyond.

Thank you to bill sponsor, Senator Reynolds, for her leadership on this issue and your time today.

I would be happy to answer any questions.