



TESTIMONY

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Testimony to the House Children and Human Services Committee on H.B. 96

Good morning, Chair White, Vice-chair Salvo, Ranking Member Lett and members of the committee. My name is Heather Smith and I am a researcher at Policy Matters Ohio, a nonprofit, nonpartisan research organization. Thank you for the opportunity to testify on House Bill 96.

I am here today to commend the Governor's Budget proposals for childcare policy. The governor's proposal increases eligibility for parents seeking high-quality, affordable childcare and begins to address weaknesses in the reimbursement system for early childhood educators by basing payments on enrollment, not attendance. This proposed budget is *strong*. Childcare is the infrastructure of a strong economy. Ohio should invest in it.

The childcare sector is in crisis. From 2017 to 2023, the number of childcare workers in Ohio dropped by 32% (Bureau of Labor Statistics, 2023). [Between 2019 and 2023](#), the number of children benefiting from publicly funded childcare in Ohio dropped by 32,000, from 172,585 children to 140,585. The childcare system is built on low-paid labor primarily performed by women and disproportionately Black women. Women make up 95% of the childcare workforce and are paid a median wage of just \$13.44 an hour in Ohio (Bureau of Labor Statistics, 2024). Razor-thin margins have kept wages low and turnover high, and this reduces the number of childcare slots available. In [Action for Children's](#) 2024 Central Ohio report, 48% of providers responding indicated they are unsure if they will be open without additional public support in the next 12 months.

While the Governor's Budget includes childcare policies that will benefit Ohio children and families, there is room for improvement. This budget removes presumptive eligibility for parents applying for publicly funded childcare, a mechanism that allows families to receive benefits while their application is in administrative processing. The budget should be amended to retain this mechanism so our kids have the opportunity to get high-quality care as soon as possible and their parents can get to work. In the last

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budget cycle, this body only raised eligibility for PFCC from 142% to 145% of the Federal Poverty Level. That 3% bump in eligibility equated to a meager \$800 rise in income for families. Legislators this year have the opportunity to improve on the governor's proposal and make a bigger difference. By funding PFCC up to 160% FPL and continuing the Child Care Choice Voucher program up to 200% FPL, you would make tens of thousands more children in Ohio eligible for high-quality, affordable childcare. You would allow a family of three making up to \$53,000 the ability to go to work, assured that their kids are safe, happy, and well cared-for.

We have been facing a childcare crisis in this state. If we don't take decisive action now, that crisis will worsen. Incremental action won't lower childcare costs or bring more early childhood educators back to the sector. Listen to small business owners who are experts in this field. You have directly impacted early childhood educators here today willing to speak with you on the reality that is the childcare crisis in Ohio. This is your opportunity for action. Thank you.