



OHIO CHAMBER OF COMMERCE

Rick Carfagna, Senior Vice President
Ohio Chamber of Commerce
Children & Human Services Committee
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Chair White, Vice Chair Salvo, Ranking Member Lett, and members of the House Children and Human Services Committee, thank you for the opportunity to testify regarding the state of Ohio's workforce. My name is Rick Carfagna, and I am Senior Vice President of Government Affairs for the Ohio Chamber of Commerce (OCC). The Ohio Chamber is the state's leading business advocate, representing over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

When we canvass our members on their most immediate challenges, the universal response across all economic sectors continues to be workforce. That term, however, encompasses a broad spectrum of characteristics beyond merely job training and credentialing. We recognize that to have a qualified, reliable, and thriving base of employees available to Ohio businesses, any discussion of workforce must also include access to affordable housing, childcare, and transportation. We appreciate the opportunity today to highlight a few of our workforce priorities both for the state operating budget and throughout the 136th Ohio General Assembly.

WorkLearnOHIO

Ohio's population growth from 2010-2020 lagged that of several states to the point of us losing a congressional seat post-census. The median US growth rate was just over a half percent, while Ohio struggled to grow by even a quarter of a percent. The Ohio Chamber believes policymakers should aggressively consider recruitment campaigns, incentives, and advocacy to grow our population and retain top talent.

We applaud the establishment of the Governor's Merit Scholarship in the last budget, a targeted measure to keep our brightest students in-state while equipping them with the financial means to continue their learning pathways. While we strongly encourage continuing these scholarships, we should also look to retain more of Ohio's college students post-graduation.

Although Ohio's higher education institutions successfully attract students from across the United States, a 2022 study from the National Bureau of Economic Research states approximately 12% more people leave the state after graduating than stay. Furthermore, research has shown that Ohio only retains approximately 55% of all degree-earning graduates of Ohio private and public universities and colleges, including associate degrees. The best way to tether more of the 45% of graduates who flee our borders is by connecting them with Ohio-based employment in their fields before graduation.

Our top budget priority is the creation of **WorkLearnOHIO**, a public-private partnership to connect Ohio college students with Ohio-based employers to facilitate internships, externships, and co-ops. Through

a one-time state grant awarded in a competitive, open bidding process, a 501(c)(3) will serve as a platform to connect students from two-year and four-year schools across Ohio with employers in their area who can provide local, paid work-based learning opportunities.

The 501(c)(3) will have a board of directors comprised of private employers, economic development leaders, and workforce development professionals, supported by connections to higher education institutions and government officials. Students would be paid a minimum of \$15/hour for the duration of their work-based learning experience, with employers paying a small administrative fee to cover operational costs of the program.

This proposed resource aligns with a provision in the Executive Budget tasking each state institution of higher education with developing and implementing a program to “*connect students with Ohio-based employers to facilitate work-based learning opportunities, which may include internships, externships and co-ops, tied to the student’s course of study*”. We believe WorkLearnOHIO is the right concept to connect students and employers on a statewide basis, while being an employer-driven resource and not an ongoing government program.

Promotion of Computer Science at the K-12 Levels

Ohio’s economic competitiveness depends on having a technology-proficient workforce that is prepared with the skill sets for jobs that have yet to even be invented. Central to this idea is the continued integration of Computer Science (CS) educational courses at the K-12 level. Unfortunately, 38% of Ohio’s public-school districts have zero offerings of CS at the high school level.

Improving the access and quality of technology education in our K-12 system is just one of many opportunities Ohio must capitalize on to fill critical job openings, improve the economic mobility of its residents, and enhance our state’s overall competitiveness nationally AND globally. The Ohio Chamber is proud to stand with other members of the Ohio Computer Science Advocacy Coalition to advocate for the following:

- Support for the Governor’s \$8 million line-item renewing the Teach CS program, which funds coursework, materials, and exams to professionally develop more CS teachers
- Requiring all students take a unit of Computer Science to graduate by 2032
- Funding a “CS District Playbook” at \$500,000 in FY 2026 to help more schools implement computer science programs
- Extending the Computer Science teacher licensure waiver through 2032, allowing a teacher who completes professional development for a particular computer science class to teach that class without a full license

Improving Childcare Access and Affordability

Childcare is a key workforce participation barrier for Ohio parents and caregivers, who often make the difficult decision to disengage partially or completely from the labor market due to prohibitive costs or lack of availability. As all industries struggle to attract and retain talent, the costs and scarcity of childcare services are robbing our labor force of an entire demographic of skilled, educated, and hardworking Ohioans.

The complexities surrounding Ohio's childcare crisis are rivaled by the costs involved in greater investments. We understand that these burdens must be shared with the employer community, local governments, and non-profit organizations. Adequately confronting these challenges requires attention to three key tenets:

1. Childcare must be made affordable for more working families
2. Ohio must increase the capacity of center-based and in-home options, particularly in its numerous childcare deserts
3. Incentives must be provided to attract and retain childcare staff

Accordingly, we would encourage the state's pursuit of the following policies:

IMPROVING AFFORDABILITY

- **Maintain 200% FPL Through the Continuation of the Childcare Choice Voucher Program**

Governor DeWine's 2024 Childcare Choice Voucher Program helped expand access to affordable childcare for families earning up to 200% of the Federal Poverty Level. To sustain this progress, we urge the Ohio General Assembly to maintain eligibility and voucher access at this level.

- **Implement a "Tri-Share" Public-Private Cost Sharing Partnership**

Several states have launched "Tri-Share" programs, where childcare costs are equally shared by employees, employers, and the state. Pending bills HB 2 and SB 32 propose a similar "Child Care Cred Program" in Ohio. We support these measures as collaborative solutions to reduce costs and improve employment access.

INCREASING CENTER-BASED AND IN-HOME CAPACITIES

With 60% of rural and 39% of overall Ohioans living in childcare deserts, expanding supply is essential. We propose:

- **Financial Incentives for Redeveloping Dormant Facilities into Childcare Spaces**

The state should consider financial incentives for developers, non-profits, and local governments to convert unused buildings and spaces into functional childcare classrooms, similar to House Bill 484's \$10 million proposal in the 135th General Assembly.

- **Continued Provision of Childcare Access Grants**

The DeWine Administration previously reallocated \$85 million in federal funds to expand childcare facilities and services. Continuing these grants to center-based providers will support critical repairs and expansions to accommodate more children.

- **Cultivating In-Home Options in Childcare Deserts**

In rural Ohio particularly, capacity needs may be best met by stimulating the creation of more in-home providers. Investing \$3.5 million over two years to recruit and support in-home providers could create 1,500–2,000 new childcare slots in high-need areas.

- **Continue Modernizing Ohio's Childcare Systems**

Ohio successfully streamlined its Step Up to Quality rating system in 2024, reducing tiers and the paperwork and administrative burdens for compliance. Additionally, in 2022 the bicameral *Publicly Funded Child Care and Step Up to Quality Study Committee* made several recommendations to improve and increase Ohio's systems of childcare and early learning. Ohio should continue to thoughtfully examine its childcare systems to create new capacity and enhance existing options without sacrificing quality.

EARLY CHILDHOOD WORKFORCE DEVELOPMENT

Childcare providers struggle to attract and retain staff due to competition with higher-paying industries. Ohio must incentivize people to enter the caregiver profession while driving higher wages and benefits to keep them in service. To strengthen this workforce, we recommend:

- **State Funding Matches to the T.E.A.C.H. Early Childhood OHIO and POWER Ohio Programs**

Expanding these scholarship and wage supplement programs through a GRF match to existing funding sources can double participation and help more workers enter and stay in the field.

- **Covering Costs Associated with CDA Credentialing Fees and Renewals**

Child Development Associate (CDA) credentials for early childhood educators cost \$425 per new certification, \$125–\$150 per renewal, and are valid for three years. In a field that pays comparatively low wages, even the slightest financial relief for these workers through the state covering these credentialing costs over the biennium would be meaningful.

- **Providing Childcare Scholarships to Early Childhood Workers**

In late 2022, Kentucky made childcare workers categorically eligible for free childcare benefits and will continue to do so at least through fiscal year 2026. As of January 2024, nearly 4,000 workers across the state utilized this program. Providing this benefit to Ohio parents who themselves are childcare workers significantly increases their wage value while also freeing up providers already providing similar benefits to re-direct those monies into higher wages. We propose either funding up to 5,000 slots for the children of Ohio's childcare workers or making them eligible under the Governor's Childcare Choice Voucher Program.

With Ohio's job market expanding, a stable and well-trained workforce is critical. The Ohio Chamber of Commerce and our member companies stand ready to assist the Ohio General Assembly and the DeWine Administration in these endeavors. We welcome any legislative interest to support or offer these amendments in the state operating budget or as standalone bills, and we salute your continued commitment to the well-being of Ohio's children, working families, and employer community.