

In-person Testimony of Chris Angellatta, Ph.D.
CEO, Ohio Child Care Resource and Referral Association

Before The Ohio Legislature - 136th General Assembly
House Committee on Children and Human Services

Testimony on: House Bill 96 “Make state operating appropriations for FY 2026-27”
Wednesday March 5, 2025
Room 121, The Ohio Statehouse

Chair White, Vice Chair Salvo, Ranking Member Lett and Members of the Committee:

Thank you for the opportunity to provide testimony on behalf of the Ohio Child Care Resource and Referral Association member organizations on House Bill 96. We provide child care referrals for families, technical assistance to child care providers, and coordinate statewide initiatives, and conduct training and professional development programs. Together, we represent the statewide network of resource and referral organizations serving all 88 counties in Ohio. House Bill 96 would make positive investments for the child care industry, and we suggest the addition of a categorical eligibility measure for child care employees to receive publicly funded child care. We propose a pilot program that would provide a voucher for full-time child care for 1,000 children.

Ohio’s economic competitiveness depends on our ability to outperform our neighboring states and beyond. As the Ohio Chamber of Commerce said in testimony yesterday, we can’t afford to leave people who want to work on the sidelines. The child care industry is a critical component of the economic infrastructure in Ohio. Child care is the industry that enables all other work.

Purpose: To stabilize Ohio’s child care sector by providing direct workforce support to early childhood educators, ensuring they can afford care for their own children, remain in the workforce, and support high-quality early learning environments for Ohio families.

- Ohio faces a critical shortage of early childhood educators, driven by low wages and high turnover rates, which limits child care access for families.
- Supporting child care professionals with targeted workforce benefits will improve retention and expand program capacity to meet family needs. Keeping early care and education programs fully staffed improves access for all. It allows child care

programs to keep more of their classrooms open and serve more children and families.

- This program employs "categorical eligibility," which allows qualifying individuals to access child care assistance based on their inclusion in a specific "category" or "protected population," rather than their income. Put simply, if you work at a licensed early care and education program, you're eligible for child care assistance.

The current state of the child care workforce experiences low pay (average for all positions is \$15/hour but 43% of teacher level pay is below \$11.60/hour) and high turnover (34.75% annually). Categorical eligibility for child care workers, regardless of household income, will attract new workers to the child care field and help retain existing workers. We are the workforce behind the workforce. This is a issue that directly impacts both the availability and quality of child care in Ohio.

In late 2022, Kentucky made child care employees categorically eligible for free child care 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 are child care workers significantly increases their wage value while also freeing up providers already providing similar benefits to re-direct those monies into higher wages. 15 states have some support for child care workers child care needs. Michigan is already operating a pilot program and Indiana is considering one.

Ohio has a unique opportunity to address three interconnected challenges: providing much-needed resources to strengthen child care programs, supporting early childhood educators who are also parents, and creating more accessible child care options to ensure businesses can attract and retain a reliable workforce.

Benefits to Child Care Programs

- Supports recruitment and retention of educators.
- Increases revenue for programs who previously offered free or discounted tuition for staff.

Benefits for Child Care Employees/Parents:

- Allows child care employees who were paying for child care expenses out of pocket to earn more take-home pay to help afford other family expenses.
- Provides qualified employees the opportunity to accept job promotions without jeopardizing public benefits their family receives.

Benefits for Ohio Business Community:

- Keeps more classrooms and programs open for the new and existing businesses whose workers need child care options.
- Incentivizes child care programs to accept PFCC payments to remain competitive - resulting in increasing child care access for working families.

The return on this investment is huge. Supporting the recruitment and retention of ONE child care employee will support between 5 and 16 adults to return to work. Each new Ohio worker equals \$60,200 in state GDP growth and \$5800 in state income taxes.