



OHIO CHAMBER OF COMMERCE

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Ohio Chamber of Commerce
Proponent Testimony – House Bill 2
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Good morning, Chair White, Vice Chair Salvo, Ranking Member Lett, and Members of the Senate Children and Human Services Committee and thank you for the opportunity to provide testimony in support of House Bill 2 – priority legislation for the Ohio Chamber of Commerce. My name is Rick Carfagna, and I am the Senior Vice President of Government Affairs for the Ohio Chamber.

For 132 years, the Ohio Chamber has served as the state’s leading business advocate and represents 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.

Ohio has great economic momentum and tens of thousands of well-paying jobs on the way over the next few years. We have a window of opportunity right now to ensure that Ohio has a stable and qualified workforce ready to meet employer needs. Unfortunately, perhaps the single biggest throttle to employment entry or re-entry is childcare. Ohio’s problem is two-fold: childcare in our state is too scarce, and when it’s available it’s too expensive.

60% of parents cite the lack of childcare as their reason for leaving the workforce, and 48% of small business owners say the lack of available or affordable childcare has affected their ability to recruit or retain employees. This means we have an entire demographic of Ohioans that are skilled, educated, and hardworking yet not able to work or work more hours. At a time when all industries across our economy can’t find or keep good help, Ohio’s childcare barriers equate to a workforce crisis.

Several states have implemented public-private partnerships allowing the state to jointly invest in childcare access for working parents and caregivers alongside business owners interested in offering these services as an employee benefit. This concept, known as “Tri-Share,” establishes a grant program pairing state funds with employer matches to offset childcare expenses. This model, first launched in 2021 in Michigan, has been gaining traction across the country, with similar versions underway in New York, North Carolina, and Kentucky.

House Bill 2 and its companion bill, Senate Bill 32, would establish a Tri-Share model labeled the “Child Care Cred Program” that allows these costs to be equally shared by participating employees, their employers, and the state. We support these measures and believe that

encouraging employers to privately invest in such an employee benefit is an innovative solution to address costs and reduce barriers to employment.

Three of our neighboring states – Michigan, Indiana, and Kentucky – have implemented some form of Tri-Share, and all have been well-received. The key is to keep this voluntary for participating employers and to allow for program flexibility. For example, some employers may choose to contribute a greater ratio than 1/3rd. These programs demonstrate, however, that when you make this type of state financial commitment, it frees up significant private investment from employers that otherwise wouldn't be initiated or realized.

Fixing Ohio's childcare problems will require flexibility, creativity, and a collective and shared responsibility across the public and private sectors. Until we do more, however, families and businesses will continue to pay the price. House Bill 2 will help defray the costs of childcare to working families and is an important step in the right direction to grow Ohio's workforce.

Chair White and members of this committee, thank you again for your consideration of House Bill 2 and for recognizing the importance of this legislation. We stand ready to work with all of you and our statewide business community to enact this grant program for working families.