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The CEO Project

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Testimony for HB96

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the committee,

Thank you for the opportunity to speak today about House Bill 96. My name is Tamara Lunan, I'm the Care Economy Organizing Director at the Ohio Organizing Collaborative. The CEO Project Represents over 300 Child Care Providers across the State of Ohio. We are united in the belief every child deserves access to high quality education. I am here to ask for a return to the original funding levels of the Governor's executive budget for child care and for the investment into the State Child Tax Credit.

Governor DeWine's original proposal represented a much-needed investment in Ohio's childcare system. By raising eligibility for childcare assistance and increasing funding for key areas like copay caps and reimbursement based on enrollment, we are making a critical step toward ensuring that all families in Ohio—regardless of income—have access to the high-quality child care they need. These things done together are what make the entire child care system stronger and when you weaken one it weakens the entire system.

Raising eligibility for childcare assistance is especially important for low-income families who are often faced with the challenge of working multiple jobs while also caring for their children. The current eligibility thresholds leave many families struggling to afford care, even though they're just above the income limits. By expanding eligibility, we are helping these parents remain in the workforce and provide stability for their children. For single parents, especially, this change is a lifeline.

Increasing eligibility for childcare subsidies is an urgent need for Ohio, especially given that we are currently ranked **51st in the nation for eligibility rates**. This unfortunate position highlights the critical gap in support for families across the state who are struggling to afford quality childcare. Many hardworking parents are falling just above the current eligibility threshold, which is typically set at 145% to 160% of the federal poverty level. As a result, they are unable to access the assistance they need, despite their inability to pay for childcare out of pocket.

By increasing the eligibility for childcare subsidies, Ohio can begin to address this inequity and support a larger portion of the population. Raising the eligibility to 200% of the federal poverty level would allow many more working parents, particularly single mothers, to access affordable childcare and, as a result, remain in the workforce, continue their education, and improve their financial stability.

As it stands, Ohio's low eligibility rates force parents into a difficult position where they must choose between paying for childcare or staying home to care for their children, often at the expense of their careers or education. This only perpetuates the cycle of poverty. Increasing eligibility for childcare subsidies is not just a moral obligation—it is a necessary step in ensuring the future success of Ohio's families, children, and economy. Let's not wait any longer to make Ohio a leader in supporting working families by expanding access to affordable childcare.

Child care owners are the workforce behind the workforce. When they work, others work. Ohio is losing \$1.52 billion dollars a year in tax revenue because of our child care crisis. Our small business owners have worked hard to offer quality child care. Quality childcare not only supports parents as they work but also provides a safe, nurturing environment for children to grow, develop, and thrive.

Additionally, the **State Child Tax Credit** is an essential tool that can provide financial relief to Ohio families, and it is critical that we implement it now. For many parents, especially those in low- and middle-income households, the cost of raising children is a significant financial strain. From childcare to healthcare to education, these costs can quickly add up and make it difficult for families to make ends meet. By establishing a state-level child tax credit, we can help reduce this burden, ensuring that parents have more resources to invest in their children's well-being and future.

This credit would not only provide financial relief, but it would also create long-term benefits for the state's economy. Families who receive the child tax credit are more likely to spend that money in their communities, stimulating local economies and creating a ripple effect that benefits businesses, schools, and healthcare providers. Additionally, by reducing the financial barriers to child-rearing, we encourage a stronger, healthier workforce and give children the resources they need to thrive.

In conclusion, I ask that you increase the eligibility rates for child care in Ohio and for the reinstatement of the State Child Tax Credit. This budget is a critical step toward making childcare more accessible, affordable, and sustainable for Ohio's families. By expanding eligibility, and supporting the businesses that provide care, we can create a stronger, more vibrant workforce and provide children with the best possible start in life. Help us get people back into the workforce.

Thank you again for the opportunity to testify today, and I'm happy to answer any questions you may have.