



# TESTIMONY

**May 2025**  
**Heather Smith**

## **Testimony to the Senate Health Committee on HB 96**

Good morning, Chair Huffman, Vice Chair Johnson, Ranking Member Liston 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 urge you to put our tax dollars where they are needed: Ohio's children. The Governor's proposed budget would have increased initial eligibility for publicly funded childcare to 160% of the federal poverty line. This would bump Ohio from 47<sup>th</sup> in the nation to 45<sup>th</sup>, a small, but helpful move that would provide affordable childcare to a family of four with a household income of \$51,440. For Ohio to be in the middle of the pack compared to other states' childcare assistance programs, initial eligibility would need to be increased to 225% of the federal poverty line: \$72,338 for a family of four. Increasing to 160% is a positive step forward but is still very small given the positive impact publicly funded childcare has on families, the workforce, communities, and the size of the crisis.

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. In the last budget cycle, this body only raised eligibility for PFCC from 142% to 145% of the Federal Poverty Level and it has done nothing to stop the bleeding. That 3% bump in eligibility only equated to an \$800 rise in income eligibility for families.

Fixing the childcare crisis requires supply- and demand-side solutions. Childcare needs to be more affordable for parents *and* early childhood educators need to be able to afford to be in the field. 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 \$13.57 an hour in Ohio (Bureau of Labor Statistics, 2025). Razor thin margins have kept wages low and turnover high, and this reduces

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*Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute  
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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.

One way to address childcare supply is through amending SB 177, co-sponsored by Senators Blessing and Timken, into the budget to provide income exclusions for childcare workers to qualify for PFCC—a program that has proven successful in Kentucky. This program would stabilize the sector while creating an additional 6,000 to 18,000 spots in childcare facilities.

We have been facing and will continue to face a crisis in this state if we don't take decisive action now. 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.