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Testimony in Support of HB 145
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House Families, Aging, and Human Services Committee
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Chair Manchester, Vice Chair Cutrona, Ranking Minority Member Liston, and members of the House Families, Aging, and Human Services Committee, my name is Candace Milner, and I am a Thomas W. Weeks Fellow at the Ohio Poverty Law Center. The Ohio Poverty Law Center advocates for evidence-based policies that protect and expand the rights of low-income Ohioans. We are a non-profit law firm working closely with Ohio's legal aid community, serving Ohioans who are living, working, and raising their families in poverty. Thank you for the opportunity to provide testimony in support of House Bill 145, to expand eligibility for publicly funded childcare.

House Bill 145 will strengthen communities, improve business, and help Ohio maintain a strong workforce. Under our current system, many families in Ohio must choose between going to work and taking care of their children. Additionally, many lose funding for public childcare as they excel in their job and their salary increases. Ohio is behind in providing relief for caretakers who cannot sustain affordable childcare during the pandemic. Raising the income threshold for families to access affordable, quality childcare will keep families from choosing between going to work while leaving their children at home and staying home to care for their children while falling into poverty. An investment in childcare will lower Ohio's unemployment rate and allow families to earn more without losing childcare assistance, both of which disproportionately impact Black women, Indigenous women, and Women of Color. Many childcare providers have closed their centers or reduced their capacity due to the COVID-19 pandemic. Expanding eligibility for publicly funded childcare will help some of these centers reopen and restore opportunities for care workers who are overwhelmingly Women of Color.

Due to COVID-19, unemployment rates have risen exponentially for women of color who are likely to be the main providers for their families. The unemployment rate for Black women increased from 5.3% in February 2020 to 16.9% in April 2020.¹ Despite high unemployment rates, Black workers are less likely to receive unemployment insurance (UI).² Black workers' overrepresentation in the "gig" economy, state restrictions that deter applications, and geography all contribute to this gap. Based on past and current trends of who receives UI and current unemployment numbers, it is likely that women of color are applying for UI more but are still underrepresented as recipients of UI.

¹ <https://www.epi.org/publication/black-workers-covid/>

² <https://www.nelp.org/publication/unemployment-pandemic-addressing-americas-job-crisis/>

Raising the eligibility threshold for publicly funded childcare will decrease unemployment in Ohio and strengthen our workforce. Despite over one million parents leaving the workforce due to lack of childcare, few states are providing UI for caretakers that quit their jobs due to lack of available and affordable childcare. Prior to the COVID-19 global pandemic, there were not any instances in which lack of access to affordable childcare made an individual eligible for UI. However, some states have made changes to their state UI in response to the pandemic. In Massachusetts, a caretaker can apply for state UI due to lack of childcare because of COVID-19.³ This is also the case in Michigan for caretakers who lost childcare due to COVID-19, and there are “no reasonable alternatives.”⁴

In 2019, Ohio was determined the seventh worst state in the country to be unemployed according to a USA Today Study.⁵ According to the study, 26% of unemployed workers nationwide received benefits while only 17.4% of unemployed workers in Ohio received UI benefits. The low rate of unemployed workers claiming UI was attributed to, amongst other things, lack of access and restrictions placed on eligibility by state lawmakers after the end of the Great Recession.^{6 7} Despite the U.S. Department of Labor’s COVID-19 guidance that encouraged states to expand their UI to include childcare in their good cause exceptions,⁸ Ohio has not changed state UI to include childcare. Our eligibility policy specifies that UI is not available to “asymptomatic individuals” that “remove themselves from employment” to care for a sick relative, or for childcare.

In addition to being behind in access to UI, Ohio is behind in access to childcare. Several other Midwestern states such as Michigan, Pennsylvania, and Illinois all have higher income thresholds for publicly funded childcare than Ohio. Studies have repeatedly shown that when children have access to quality childcare, they are more likely to reach developmental milestones, perform better in school, and have positive life outcomes.⁹ Access to affordable and quality childcare impacts the current and future success of our state.

In conclusion, we support HB 145 because when we invest in childcare, we reduce poverty and strengthen the future generations of our workforce. Improving the childcare infrastructure in Ohio is imperative to securing our economy. HB 145 will expand affordable and accessible childcare and keep Ohio families from falling into poverty because of lack of care. We urge you to support HB 145 and provide working families in Ohio with affordable and accessible childcare.

³ <https://www.masslegalhelp.org/covid-19/ui>

⁴ https://www.michigan.gov/leo/0,5863,7-336-94422_97241_98585_100420_100438-530830--,00.html

⁵ <https://www.usatoday.com/story/money/2019/06/02/best-and-worst-states-to-be-unemployed/39526585/>

⁶ <https://s27147.pcdn.co/wp-content/uploads/Data-Brief-State-Unemployment-Systems-Counter-Recession.pdf>

⁷ <https://s27147.pcdn.co/wp-content/uploads/State-Unemployment-Insurance-Developments-Response-COVID-19-v-2020-03-27.pdf>

⁸ <https://s27147.pcdn.co/wp-content/uploads/Policy-Brief-Understanding-Unemployment-Provisions-Families-First-Coronavirus-Response-Act.pdf>

⁹ https://www.purdue.edu/hhs/hdfs/fii/wp-content/uploads/2015/07/s_mifis01c03.pdf ; <https://pubmed.ncbi.nlm.nih.gov/19765003/>