

The Ohio Legislative Children's Caucus

Accessible and Affordable Childcare in Ohio



Brittany Boulton

Vice President, Groundwork Ohio

Ohio's Child Care Crisis: A Threat to Families and Workforce Growth

Ohio Legislative Children's Caucus October 20, 2025





Brittany Boulton
VICE PRESIDENT | GROUNDWORK OHIO

About Us

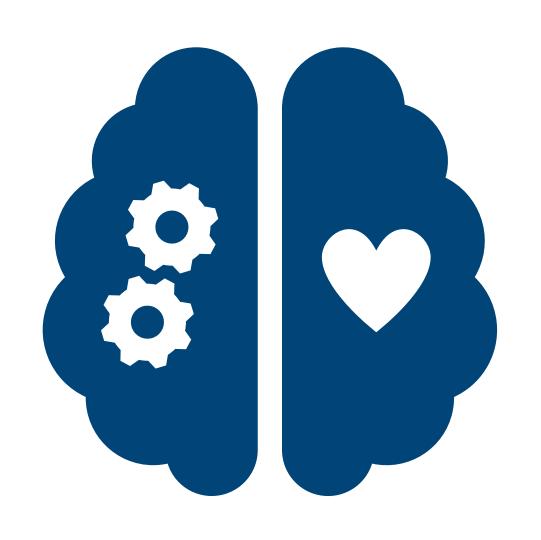
Groundwork Ohio is a committed, nonpartisan public-policy research and advocacy organization formed in 2004 that champions high-quality early learning and healthy development strategies from the prenatal period to age 5, that lay a strong foundation for Ohio kids, families, and communities.

We advance quality early childhood systems in Ohio by engaging, educating, and mobilizing diverse stakeholders and strategic partners to promote data-driven and evidence-based early childhood policies.



GroundworkOhio.org

Why Ohio's Youngest Children



90%

...of brain development occurs before the age of 5.

Source: Center for the Developing Child at Harvard University

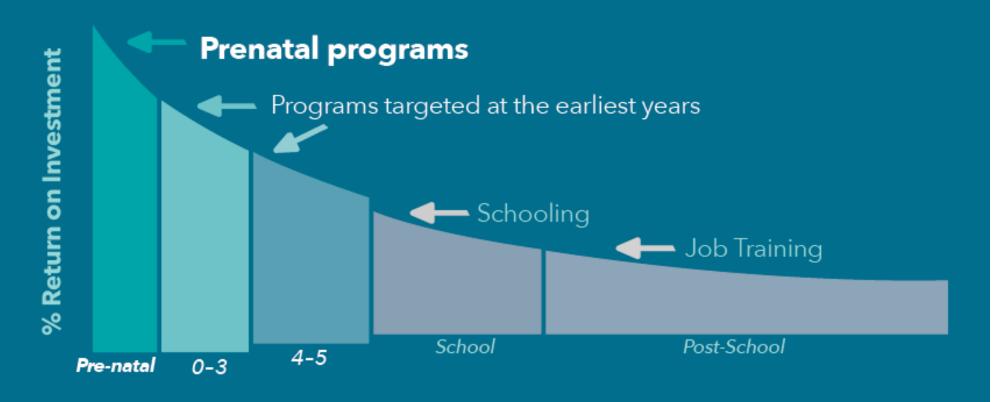


Smart Return on Investment

Public investments

in high-quality, prenatal to 5 interventions for Ohio children deliver a 13% ROI per year.

The highest return comes from investments in the earliest years because that work reduces later spending on special education, health care, and leverages dollars spent later.





LIFECYCLE OF IMPACT for Early Childhood Investments

Invest in Young Children = Invest in Ohio's Workforce, Today and Tomorrow















BABY

KINDERGARTEN

PARENTS

CARE PROVIDER

BUSINESSES

ECONOMY

FUTURE

Less than 1
in 5 Ohio
babies
from
families
with low
incomes
have
access to a
child care
program.

65% of all kindergarteners enter the classroom not ready to learn. This increases to 79% of lowincome kids.

61% of parents said they would go back to work if they had access to child care at a reasonable cost.

Child care professionals make, on average, \$15 per hour.
Turnover rate is over 4X higher than state's employment.

1M
working
parents in
Ohio have
cut back
their work
hours due
to child
care
barriers.

Ohio's economy loses approx. \$5.48 billion a year on child care barriers alone.

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Polling

What Ohio Voters Are Saying about Child Care



Child Care is in Crisis

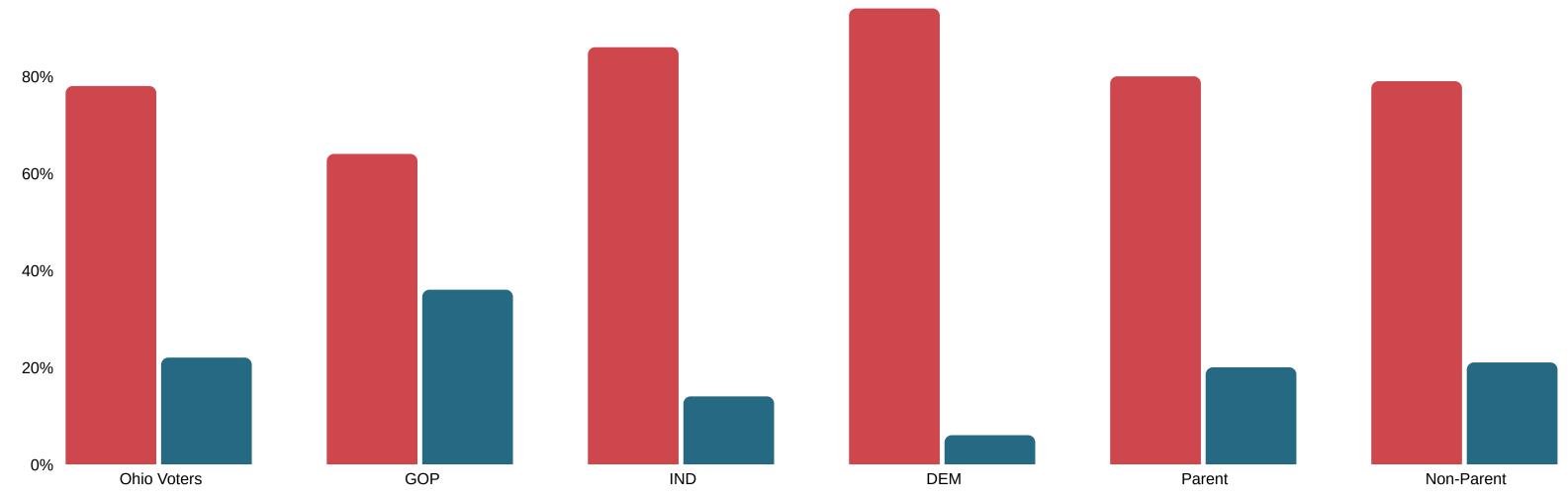
Nearly of Ohio voters and voters across the nation say the ability of working parents to find and afford quality child care is either in a "state of crisis" or is a "major problem."



Child Care is in Crisis

Nearly 80% of Ohioans say the ability of working parents to find and afford quality child care is either in a "state of crisis" or is a "major problem."

• Total Crisis/Major Problem
• Total Minor/Not A Problem



Do you think the ability of working parents to be able to find and afford quality child care for their young children is currently...



Child Care Drives Workforce Participation





Child Care Shapes Voting Behavior

to vote for a candidate of the opposite political party if that candidate advanced policies to help working families afford quality child care.



The Bottom Line

When nearly 80 percent of voters agree on the urgency of this issue, it sends a powerful message to policymakers that supporting child care isn't partisan—

it's common sense.

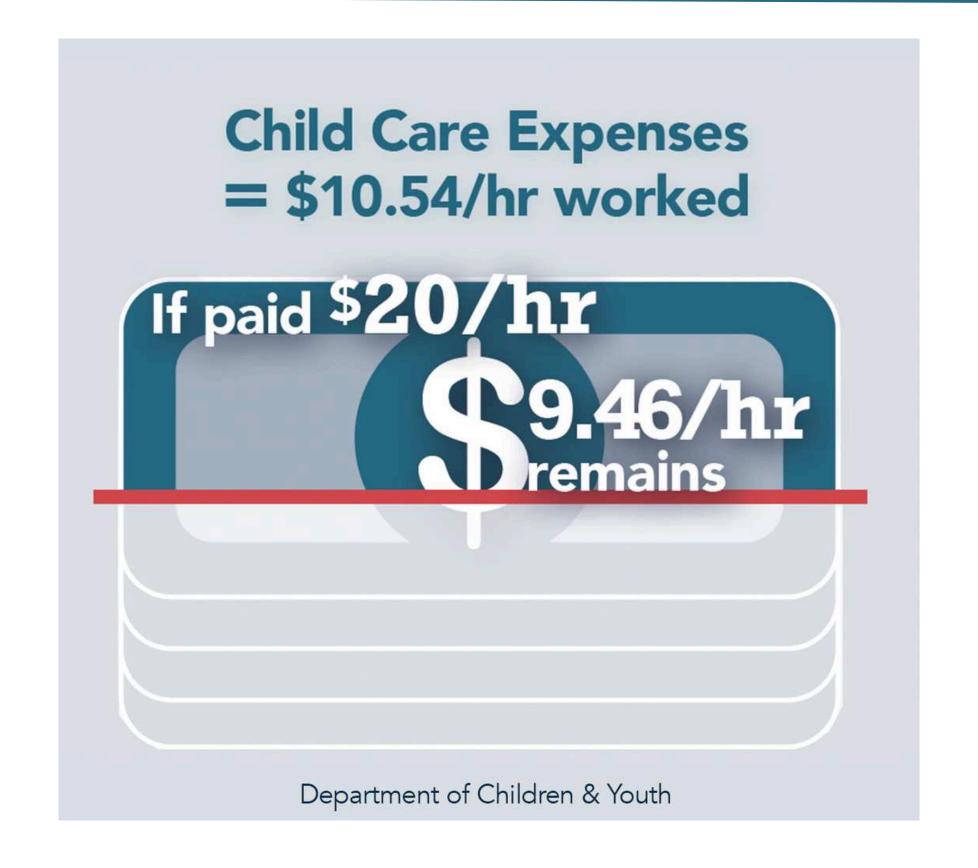


Child Care is Unaffordable





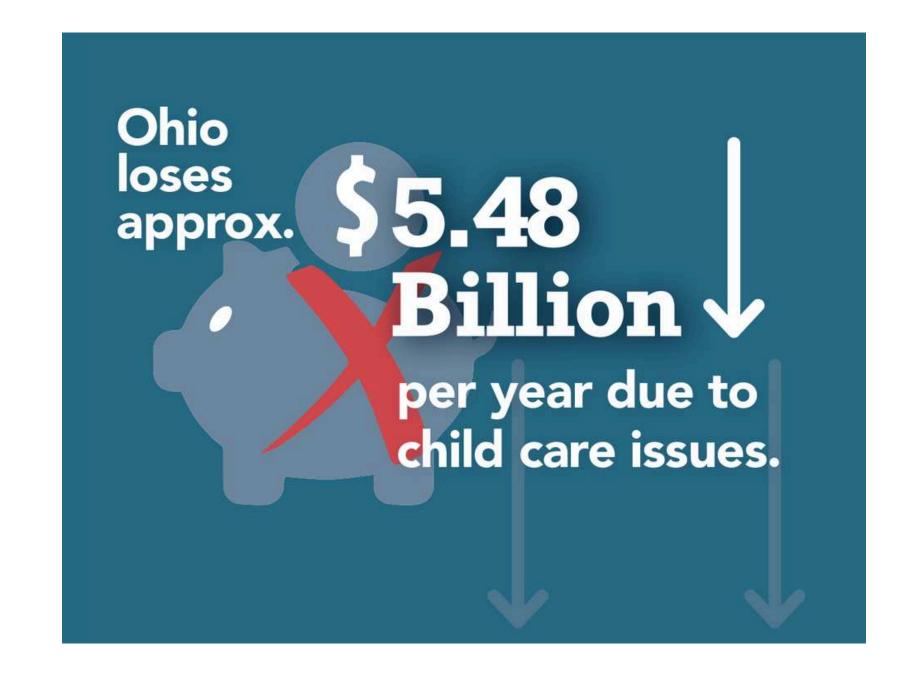
Child Care is Unaffordable





The Child Care Crisis Impacts Us All

Ohio's lack of affordable child care results in an estimated \$5.48 billion annual loss for Ohio's economy.



Source: <u>Untapped Potential in Ohio: How Child Care Impacts Ohio's Workforce Productivity and The State's Economy</u>, U.S. Chamber of Commerce Foundation, 2025



FY2026-2027 State Budget & the Path Ahead

Thanks to strong partnerships, credible data, and persistent public pressure, we helped secure:



More than

\$89.5 Million
in new state investments

in early childhood health, development, and family supports. Preservation of

\$100 MILLION in federal child care funding

that had been on the chopping block earlier this year.

A critical line-item veto by Governor DeWine

to protect Medicaid continuous coverage for babies under age 4. While subsequent federal guidance has undermined implementation, the Governor used his authority to prioritize babies in the budget process during a period of major upheaval in Medicaid.

Progress for Ohio's Young Children



Allocates \$200 million of federal funds to the Child Care Choice Voucher program, allowing the state to serve 20,000 more children, or 12,500 more working families.



Invests \$3.8 million in infant vitality to total \$36 million over the biennium-including a \$5 million allocation for community and faith-based programming, enabling support to expand local solutions to combat infant mortality (ex. Cradle Cincinnati model).



Changes Publicly Funded Child
Care payments from being paid on an attendance-based payment structure to an enrollment-based payment structure, that will improve payment stability for providers.



Increases funding by \$21.5 million for Help Me Grow, evidence-based home visiting which will support 12,000 more children.



Invests \$10 million for the Child

Care Cred pilot, a cost-sharing model
among employers, employees, and the state.



Invests \$20 million more in the Ohio Commission on Fatherhood, enabling expansion of programs and services to support more communities across Ohio.



Invests \$2.85 million to the Child Care Provider Recruitment program

to increase child care in underserved areas in the state.

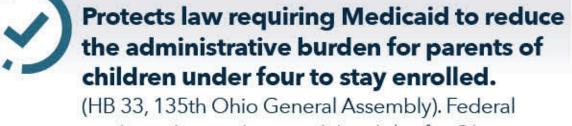


Increases of \$20 million to implement
Child Wellness Campuses that provide
short-term treatment and support for children in
crisis who are awaiting foster care placement.

Progress for Ohio's Young Children



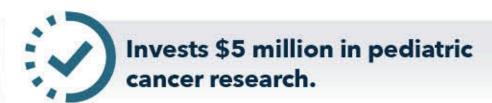




(HB 33, 135th Ohio General Assembly). Federal guidance has undermined the ability for Ohio to implement this policy–keeping eligible kids covered.



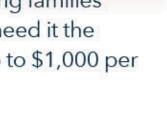




Setbacks for Ohio's Young Children



Fails to enact a refundable Child Tax Credit, denying working families with children under 7 who need it the most a refundable credit up to \$1,000 per child under age 7.



Fails to expand publicly funded child care eligibility to 160% of the Federal Poverty Level (FPL) to serve 11,000 additional children. Ohio remains lowest in the nation at 145% FPL (150% FPL for children with special needs).



Fails to appropriate an additional \$200 million in federal Temporary **Assistance** for Needy Families (TANF) funds for child care, allocating less in TANF than previous years.



Undermines statewide expansion of Family Connects home visiting model by not investing an additional \$26 million over the biennium.



Misses the opportunity to invest an additional \$25 million in the Child Care Choice Voucher program reducing access for families who don't qualify for Publicly Funded Child Care.



Misses the opportunity to invest an additional \$3.5 million in **Dolly Parton Imagination Library,** putting fewer books in the hands of young children.



Misses the opportunity to invest \$6 million to support children's dental health.



Eliminates \$16.5 million for lead poisoning prevention, threatening child health and safety.

FY2026-2027 State Budget & the Path Ahead

- Families bravely shared their stories to play a central role
- Yet Policymakers failed to fully address the needs of mothers and infants.

Without additional action, Ohio will face a \$600 million child care funding shortfall next biennium as the one-time federal dollars expire.

- The path forward is uncertain, but our charge is clear...
- We must defend progress and push forward to ensure every Ohio child has the strongest possible start in life.

Join Us

Together, we can build stronger communities, empower families, and ensure every child in Ohio has the opportunity to thrive.















Rick Carfagna

SVP, Government Affairs



OHIO CHAMBER OF COMMERCE

Access & Affordability to Child Care: Ohio's Workforce Throttle

Rick Carfagna SVP, Government Affairs

Ohio legislative children's caucus meeting October 20, 2025

Untapped Potential in Ohio

- The U.S. Chamber of Commerce Foundation has conducted "Untapped Potential" studies in 14 states since 2019
- In every state, child care breakdowns have resulted in hundreds of millions if not billions of dollars in lost economic activity due to insufficient child care coverage
 - Michigan: \$2.88 billion in lost economic potential
 - Indiana: \$4.22 billion in lost economic potential

"Untapped Potential: Ohio"

- Released in April 2025, study conducted by the Cicero Group on behalf of the U.S. Chamber of Commerce Federation, in partnership with the Ohio Chamber and Groundwork Ohio
- Insufficient child care coverage costs Ohio \$5.48 billion annually, including:
 - \$1.52 billion in missed annual tax revenue
 - **\$3.97 billion** in child care-related employee turnover and absenteeism costs to Ohio employers

Untapped Potential in Ohio

"Untapped Potential" Ohio

- 70% of Ohio parents of young children missed work or class at least once in the past three months for child care reasons
- 33% of parents that experienced disruptions to their employment in the past year reported leaving the workforce as a direct result of child care issues
- In 75% of states, child care now costs more than in-state university tuition
- 60% of parents cite the lack of child care as their reason for leaving the workforce, and 48% of small business owners say the lack of available or affordable child care has affected their ability to recruit or retain employees
- 60% of rural Ohioans and 39% of overall Ohioans live in child care deserts where there simply aren't enough providers

State Operating Budget Recap FY26/FY27

Child Care Supports

- \$200M for Child Care Choice Voucher Program (200% FPL eligibility)
 - Short of the \$225M requested by the Governor
 - The voucher program will allow the state to serve 20,000 more children, or 12,500 more working families
- \$10M for Child Care Cred Program (voluntary public-private cost sharing)
 - Employers shoulder 40% of child care costs, employees 40%, and the state assumes 20% employers
- \$3.2M for Child Care Recruitment & Mentorship Grants
- Federal compliance: 7% cap on parent co-pays, payment by enrollment to providers, and pay at the 50th percentile of the 2024 market rate
- Several aspects of Ohio's child care regulatory system modernized

Legislative Opportunities: 136th General Assembly and Beyond

- Combating Workforce Shortages in Ohio's Child Care System
 - House Bill 484/Senate Bill 177 (Reps. Click/Odioso & Sens. Blessing/Timken)
 - Creates the Workforce Investment Now (WIN) program to provide publicly funded child care to child care staff members based on household income or who work at least 20 hours a week in the field
 - Increases the value of wages while incentivizing early childhood workers to enter or remain in this vocation
- Financial Incentives for Redeveloping Dormant Facilities into Child Care Spaces
 - House Bill 41 (Reps. White/Roemer)
 - Creates a \$20 million grant program for developers, non-profits, and local governments to convert unused buildings and spaces into functional child care classrooms
 - Appropriates \$500,000 to establish child care cohorts, create an employer-based child care co-design learning lab, and develop tools and resources to support efforts to increase Ohio's child care capacity
- Increasing Ohio's Federal Poverty Level for Publicly Funded Child Care Eligibility
 - Currently 145% FPL lowest eligibility in the country
 - Increased from 130% to 142% in 2021, increased to current 145% in 2023
 - All surrounding states have FPLs exceeding Ohio's 145% eligibility, with Michigan, Kentucky and Pennsylvania at 200% FPL and Indiana and West Virginia at 150%.
 - Governor DeWine proposed increase in state operating budget to 160%

THANKYOU



Lara Schwartz

Child Care Services Manager, COAD

Raising the Future: The Critical Role of Child Care Providers

Ohio Legislative Children's Caucus October 20, 2025

Lara Schwartz
Child Care Services Manager | Dover, OH
Corporation for Ohio Appalachian Development







- The Corporation for Ohio Appalachian Development (COAD) is a private nonprofit organization serving 31 counties in Southeast Ohio.
- Since 1971, COAD has worked to improve the quality of life for all residents of Appalachian Ohio.

COAD41dds

 COAD4kids promotes the wellbeing of children by supporting the people and strengthening the systems that care for them so that every child can grow, learn, and discover in safe and nurturing environments.





- Types:
 - Licensed Child Care Center
 - Licensed Type A and Type B Family Child Care Homes
 - Licensed School-Age Child Care
 - Certified In-Home Aide
- Funding:
 - Subsidy for working families earning less than 145% FPL (~\$46,000 for a family of 4)
 - Child Care Choice Voucher- program to support families between 146%-200% (~\$62,400 for family of 4)
- Currently: 754 child care providers serving 31 Ohio Counties



Child Care Landscape in Appalachia:

- Child Care Centers
 - Full-Time: 231 Centers
 - Part-Time Only: 101 Centers
- Public Preschool: 282 preschools
- Family Child Care:
 - Type A: 28 homes
 - Type B: 112 homes

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If people could makealiving providing child care, we wouldn't haveasupply problem.





Provider Reality: Notes from the Field

- Average Pay for Child Care Providers:
 - \$15.60/hour in Urban Ohio
 - \$14.53/hour in Rural Ohio
- Workforce Turnover Rate: 12.97% during Q4
- Payment Issues
 - Private Pay
 - PFCC
- Expansion Issues
 - Infrastructure Funding
 - Infant/Toddler Expansion

What Can We Do?

- Higher pay for child care providers
- Benefits for child care providers
- Infrastructure investment to expand infant & toddler care





Services Provided by Your Local Child Care Resource & Referral Agency

- Child Care Provider Services
 - Help start and manage child care businesses
 - Provide training and technical support
- Family Services
 - Help families find and choose quality early learning care
 - Connect families to local and state support systems
- Resource Family Assistance
 - Recruit and retain resource families (foster, adoptive, and kinship)
- Establish partnerships by linking business, education, and early education within communities.



Thankyou!

Questions?

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coadinc.org

Questions?



The Ohio Legislative Children's Caucus

Contact Us

Learning, Connecting, and Problem Solving Together. Our children are counting on us.

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