



Expand Access to High-Quality Childcare

Every child, regardless of race, class, or zip code, deserves to be safe, cared for, and educated. High-quality childcare provides care for Ohio's children and helps prepare them for success in school and their future. Childcare also keeps our economy running and helps parents stay in the workforce.

Policy

Ohio's publicly funded childcare (PFCC) program helps make childcare affordable for working parents. PFCC is available to children of working parents at or below 145 percent of the federal poverty level (a family of three making \$38,642.50 a year or less) or 150 percent of the federal poverty level for children with special needs. Once qualified, families can continue to participate in the program until they surpass 300 percent of the federal poverty level (which is \$79,950 for a family of three). PFCC is administered by the Ohio Department of Children and Youth.

Challenge

When children receive high-quality early education, they are more likely to be ready for kindergarten. Only 35% of Ohio kids start kindergarten ready to learn (Ohio Department of Education, 2024).

But high-quality childcare is unaffordable for many Ohio families. For the average annual cost of one infant's childcare (\$10,417 according to the National Database of Childcare Prices) to be affordable (as defined by the U.S. Department of Health and Human Services), a family of three with two parents and one infant would need an annual income of \$148,814. **Put another way, two parents would have to each make \$35.77 per hour working full time to make childcare affordable at the average rate, for just one infant.**

Many parents can't afford high-quality care. If a parent, working full time, has one infant and one toddler at an average cost childcare center, then \$11.86 of every hour they work would go to childcare costs. For comparison, the minimum wage in Ohio is \$10.70 per hour. The parent in this family of three makes too much to qualify for PFCC, but too little to afford high-quality childcare and other basics.

Today, working parents have few options. From 2017 to 2023, the number of childcare workers in Ohio dropped by 31.94% (Bureau of Labor Statistics, 2023). Annie E Casey's Kids Count Data Center found that 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. 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 \$13.44 an hour in Ohio (U.S. Bureau of Labor Statistics, 2025). Razor thin margins have kept wages low and turnover high and this reduces the number of childcare slots available. The shortage of workers means childcare providers serve fewer families and have longer waitlists. Early childhood educators perform an essential role of loving, caring for, and teaching our children and helping parents stay in the workforce; their wages should reflect this essential work.

Fewer childcare options have forced Ohio parents to work fewer hours or leave the workforce entirely. A 2024 Groundwork Ohio poll found that more than 6 in 10 parents in Ohio who are not working full time would do so if they had affordable childcare.

Opportunity

We can fix the childcare system and make Ohio the best state to raise a family. Childcare has proven to be a critical support for our workforce, and it increases a child's likelihood to be ready to learn when they start kindergarten. Kindergarten readiness predicts academic and life success. With continued commitment to and investment in high-quality childcare, Ohio can ensure that children are positioned for success early. We know that high-quality childcare in Ohio works for families and children and is good for our state's economy.

Support Child Well-Being: Budget Recommendations

Stabilize the childcare sector: Protect all current levels of state and federal funding for PFCC and increase state investment in the program. Fund federally required changes, including capping parent copays at 7% of their income and reimbursing providers based on enrollment rather than attendance, through the FY26-27 budget.

Help more parents afford childcare and participate in the workforce: Expand initial eligibility for publicly funded childcare from 145 percent FPL to 300 percent FPL to help parents afford childcare and ensure more children at-risk for not being ready for kindergarten have access to high-quality care. At 300 percent FPL, Ohioans at the median household income would qualify for assistance.

Make childcare free for childcare workers. Ohio should waive income requirements for childcare workers to participate in PFCC. This would stabilize the sector and each parent receiving assistance would also open additional childcare spots for other children.

Increase provider reimbursement rates to the 75th percentile, the federal Administration of Children & Families' "benchmark for equal access."

This issue brief authored by Ali Smith, Operation Specialist, Policy Matters Ohio.

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