



Expand Access to High Quality Child Care

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

Policy

Ohio's publicly funded child care (PFCC) program helps make child care affordable for working parents. PFCC is available to children of working parents at or below 142 percent of the federal poverty level (a family of three making \$32,703 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 \$69,090 for a family of three). PFCC is administered by the Ohio Department of Job and Family Services.

Challenge

When children receive high quality early education, they are more likely be ready for kindergarten. Often kids whose parents are paid low wages have greater challenges, because their parents work longer and irregular hours to make ends meet. It's also harder for families with low incomes to afford high-quality child care. This challenge leads to a disproportionate impact on Black children and children in rural areas. As a result, only 22% of Black children and 38% of Ohio kids start kindergarten ready to learn (Ohio Department of Education, 2022). Regardless of race or zip code, when children start behind, they often stay behind.

Many parents can't afford high quality care. Infant care in Ohio costs an average of \$9,697 per year — almost the same as in-state public college tuition. A single mother of two, being paid \$17-an-hour spends half her income on child care. She makes too much to qualify for PFCC, but she makes too little to afford high quality child care and other basics to support her family.

Today working parents who are paid low wages have fewer options than before the pandemic. Over the past two years, 798 child care programs have permanently closed in Ohio (Ohio Department of Job and Family Services, 2022). Action for Children found that more than one in five child care programs

permanently closed in Central Ohio over the past two years and the proportion of programs participating in PFCC decreased by 2.6 percent, eliminating almost 3,200 slots.

Fewer child care options have forced Ohio parents, particularly Moms, to work fewer hours or leave the workforce entirely. A 2021 Public Opinion Strategies poll on behalf of Groundwork Ohio, found that more than four in 10 working parents in Ohio reported reducing hours to care for their children in the last few months. Sixty percent of non-working or part-time working moms say they would go back to work if they could find affordable, quality child care.

Moreover, child care centers are struggling with staffing because early educators are leaving the field for higher-paying opportunities. Long before the pandemic, the child care system was built on low-paid labor primarily performed by women and disproportionately Black women. Women make up 95% of the child care workforce making a median wage of just \$11.17 an hour in Ohio (US Bureau of Labor Statistics, May 2021). The low wages for work in child care and the emergence of more competitive job opportunities are major reasons why many child care providers are struggling with recruitment and retention of early educators. According to a 2022 Action for Children report, four in five center-based providers are experiencing staffing shortages and trying to hire more early educators. The shortage of workers means child care providers serve fewer families and have longer waitlists. Child care workers 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.

Opportunity

We can fix the child care system and make Ohio the best state to raise a family. Child care 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. As Governor DeWine recently said, "Supporting Ohio's families now will help children thrive as adults and continue leading our great state to an even brighter future." Quality child care during the critical early years of development is powerful prevention policy that offers a 13 percent return on public investment.

This is why Ohio's child care providers made a commitment to quality. All of Ohio's publicly funded child care providers are now participating in Ohio's Step Up to Quality system, including nearly a third of programs that are highly rated. With continued commitment to and investment in high-quality child care, Ohio can ensure that children from families with low incomes are positioned for success early. We know that high-quality child care in Ohio works for families and children and is good for our state's economy.

Support Child Well-Being: Budget Recommendation

- ***Stabilize the child care sector:*** Protect all current levels of state and federal funding for PFCC and increase state investment in the program to support the increased cost of operations, recover lost capacity as a result of COVID-19 and ensure that the system has sustainable funding mechanisms throughout the FY24-25 budget.

- ***Help more parents afford child care and participate in the workforce:*** Expand initial eligibility for publicly funded child care from 142 percent FPL to 200 percent FPL (which would support a family of three making \$46,040 or less) to help parents afford child care and ensure more children at-risk for not being ready for kindergarten have access to high-quality care.
- ***A brighter future for children, families, and our state:*** Support all providers serving children in publicly funded child care in achieving at least 3-stars in Ohio's Step Up to Quality rating and improvement system to ensure kids receive the quality care they need to thrive. This includes supporting a highly skilled and fairly compensated early childhood workforce.
- ***Target resources toward infants, children and families with the greatest need:*** Evaluate programs to ensure that all kids can have a great start. Use data to target funding in ways that eliminate barriers to access and the impacts of COVID-19 based on race, rural geography and age of the child.

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