



House Families, Aging & Human Services Committee

HB 145 - Proponent Testimony

4/15/2021

Alison Paxson

Policy and Communications Associate

Children's Defense Fund-Ohio

Chairperson Manchester, Vice Chair Cutrona, Ranking Member Liston, and members of the House Families, Aging & Human Services Committee, thank you for the opportunity to testify today on HB 145.

I am here today representing the Children's Defense Fund-Ohio (CDF-Ohio), a statewide non-profit organization that serves as an independent voice for all children. Born out of the civil rights movement, with more than four decades of advocacy in Ohio, it is our mission to champion policies and programs that lift children out of poverty, protect them from abuse and neglect, and ensure their access to appropriate and targeted health care, quality education, and nutritional wellness. Therefore, CDF-Ohio is a strong proponent of raising Ohio's initial income eligibility for publicly funded child care to 200% FPL.

Every Ohioan benefits from a stable and thriving child care system— employers, parents, taxpayers, and especially our children. Our child care sector is the “workforce behind the workforce”, the critical infrastructure that drives our state's economy and allows parents and caregivers to go to work while their children access high-quality learning experiences in safe, nutritious, and caring environments.

However, currently tens of thousands of Ohioans do not have financial access to this critical infrastructure and environment.

Ohio currently has one of the lowest initial income eligibility thresholds in the country for publicly funded child care (PFCC) at 130% FPL – meaning that eligibility for this subsidy only applies to a family of three, say a mother and her two young children, who have an annual income of \$28,236 a year or less.

We must support more working Ohio families to access and afford quality child care through financial assistance and subsidy.

We are pleased to see that Governor DeWine's Executive Budget proposes to raise income eligibility for publicly funded child care from 130% FPL to 138% FPL for all children and 150% for children with disabilities. However, we must go further in meeting the needs of Ohio families in this moment.

Now, one year into the pandemic, child care providers that have managed to hold on and keep their doors open will fortunately receive considerable aid from the recently passed American Rescue Plan, which appropriates \$39 billion in federal aid to bolster state child care systems. (The three coronavirus relief bills together provide \$50 billion). However, significant damage has already been done, especially for women, particularly Black women and other women of color, who have been forced to abandon the workforce to care for their children at disproportionate rates to men. [As of February 2021, there are over 2.3 million fewer women in the workforce compared to February 2020 nationwide.](#)



Raising Ohio's initial income eligibility for publicly funded child care to 200% FPL would increase access and affordability of quality child care options for women and families, strengthen Ohio's economy, help lay a better foundation for early learning for Ohio's future workforce, and critically improve rates of child poverty in our state. [According to a 2019 report from the Urban Institute, raising eligibility to even 150% FPL from the current 130% would mean that 67,400 additional children could receive a subsidy in an average month, 8,600 more mothers would be able to join the workforce, and 12,100 children could be lifted out of poverty.](#)

[Providing children and families access to publicly funded child care makes an investment in Ohio's future and helps fulfill our responsibility to Ohio's children. As Representative White \(R-Kettering\) eloquently stated in her testimony on this bill, "Let's find the money in our budget and reprioritize children now, for our families, for our workforce, and for our future."](#)

At the same time as we expand initial income eligibility, we must also make strides in addressing the gaps in our child care system. I have provided with my testimony a report that provides further recommendations to achieve this.

Before the COVID-19 crisis, working families faced significant obstacles to finding child care – the result of decades of disinvestment. In 2019, [39%](#) of Ohio families lived in "child care deserts", even though for 70% of Ohio children under age 6, all available parents were in the workforce. Further, two-thirds of Ohio parents surveyed before the pandemic reported that finding affordable, quality child care in their area was a significant problem, especially infant-toddler care, which is a serious issue in light of there being more than four children under age 3 for every licensed infant-toddler care slot available.

In Ohio, we lose \$1.7 billion in earnings, productivity, and revenue annually due to the lack of reliable child care options for working parents of children age 3 and younger alone, [according to pre-pandemic estimates.](#)

The good news is that the increase in federal dollars for Ohio's child care sector – nearly \$1.3 billion in total, including \$500 million for expanded child care assistance and almost \$800 for child care stabilization funds – will help Ohio promote its publicly funded child care capacity, thereby improving our state's ability to ensure we meet the increases in children eligible for this program.

And we must do both: investing in our children through increasing both access and quality child care capacity. We must reprioritize our budget around investing in our children early, ensuring parents' have access to the workforce without having to worry about whether their children are getting the support they need, and committing more public investment now to ensure long-term savings. [A recent study by two Harvard economists](#) found that policy and program investments in early childhood education and health ultimately pay for themselves along with additional revenue gain through future earnings.

Our state's economic recovery will not be possible without substantial investments and policies to bolster our child care system and increase its accessibility for Ohio's working families. We have a critical opportunity to take a step in the right direction for children and families by passing HB145 to support child care access.

I welcome any questions you may have, and thank you for the opportunity to testify today on this critical piece of legislation.