



Fund our future

Local governments can use ARPA to stabilize families, workers & child care

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All parents deserve to go to work knowing their kids have a safe, nurturing place to go, and all early educators deserve a wage that allows them to live with security and dignity. However, for decades, too many local, state and federal leaders haven't devoted the resources to support children, families and child care workers. Short-changing the child care system leaves parents without options and workers in poverty.

Even before COVID-19, thousands of families could not afford high-quality child care, and most child care workers were paid poverty-level wages. The reality in Ohio is that a single mother of two making \$15 an hour spends half her income on child care and doesn't have enough left over to pay for groceries, rent, health care, and other basic needs.

Many employers in the child care industry don't pay their workers — who are mostly women and disproportionately women of color — enough to make ends meet or offer decent benefits. The typical child care worker in Ohio is [paid just \\$10.90 an hour](#).^{*} That's a major reason why many child care providers are struggling with recruitment

and retention of early childhood educators. According to a November 2021 [Action for Children report](#), 50% of central Ohio center-based providers are experiencing staffing shortages. The shortage of workers also means child care providers [serve fewer families and have longer waitlists](#). Without child care, many workers can't return to work.

Cities and counties can use funds from the American Rescue Plan Act (ARPA) to provide rapid relief to child care workers and to families who need help affording child care. Here are several examples of how cities and counties have used rescue plan funds to do just that:

^{*}If you are reading a hard copy of this document, visit policymattersohio.org/fed-funds for a digital version with live hyperlinks to all source materials.



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Franklin County, Ohio: Franklin County is prioritizing over \$22 million in ARPA funds for the [Franklin County RISE program](#), which will make child care more affordable for working families, support the child care workforce, and stabilize child care providers. A scholarship program will help eligible families afford care with scholarships worth up to \$10,000 per year. Early educators will be able to apply for emergency rental assistance and receive an average of \$3,000. Child care providers will be [eligible for financial incentives](#) for serving children who are publicly funded, improving their quality, and/or for offering child care during non-traditional hours (6:00 pm – 6:00 am on weekdays and/or weekends).

Columbus, Ohio: Columbus announced \$3.5 million in ARPA funding to address the child care workforce shortage and to help more families afford child care. Columbus officials allocated \$500,000 to fund 500 one-time \$1,000 signing bonuses to help child care providers recruit new early educators. The city is also spending \$2.5 million for 250 [scholarships to help families with low wages afford child care](#).

Shelby County, Ohio: Shelby County officials are using \$231,000 in rescue plan funds to expand the child care workforce in the county by building the supply of providers. The county is partnering with 4C for Children to stabilize existing child care programs, expand programs, and develop new programs. They hope to [fund start-up costs](#) for up to eight new child care programs, including five family child care programs and three new child care centers.

Edmonds, Washington: The city of Edmonds is providing cash to people who are paid below 40% of the city's median income to help pay for basic necessities, including child care. The city is spending nearly \$12 million to [provide grants](#) up to \$2,500 for household expenses such as child care, rent, utilities, groceries, gas and car repairs, or medical expenses.

Deschutes County, Oregon: Deschutes County is [helping residents get back to work](#) by expanding access to child care. The county used \$1 million in recovery funds to provide child care to an additional 70 to 100 children during the first phase.

Short-term federal relief funds alone are not enough to make the necessary long-term investments to transform the child care system to work for children, families, and child care workers. However, officials in big and small cities and counties have an opportunity now to help parents get back to work, help more families with low incomes afford child care, and ensure child care workers, particularly Black and brown women, are paid better wages and benefits.