

PRESS RELEASE

March 28, 2024
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Ohio's child care crisis explained

Policymakers leave parents, providers without options

State legislators have driven Ohio's child care system into crisis, according to a new report released today by Policy Matters Ohio. The state makes it more difficult than any other for parents to qualify for Publicly Funded Child Care (PFCC), and reimburses PFCC providers so poorly that the federal government has had to step in to demand policy changes. As a result, too few providers can afford to stay open, and too few families can access affordable child care.

"By forcing providers to operate with extremely narrow margins, Ohio's policymakers are driving many out of business," said report co-author Kathryn Poe. "The ones that survive often can't afford to retain qualified staff. Ohio's child care workers are paid \$13.15 an hour at the median — too little to make ends meet, and far less than the real value of their work."

Ohioans in the child care workforce — disproportionately Black women — have been leaving in large numbers: From 2017 to 2022, the number of child care workers in Ohio dropped by 35.89%. "Child care providers are doing some of the most important work of all," said report co-author Ali Smith. "But they are so badly undervalued that they can often make higher wages in retail or food service jobs."

The report highlights how other states have created more reliable, resilient child care systems by making more families eligible for public support, providing PFCC for all child care workers regardless of income, and reimbursing PFCC providers at higher rates.

"Other states have found solutions," said Poe, who also researches state budget policy. "Those solutions require state leaders to make good on their professed commitment to children and families, by funding child care at levels that reflect its true, critical value."

The analysis informed comments delivered earlier this week to the Ohio Department of Job and Family Services and the Department of Children and Youth. Responding to a pair of proposed <u>administrative rule changes</u> that will further <u>decrease funding for many PFCC</u> providers, the comments were among dozens submitted by providers, parents and advocates.