Every child in Ohio regardless of race, gender or ZIP code deserves the opportunity to learn, grow and thrive. All parents deserve to go to work knowing their kids have a safe, nurturing place to go. And all early education professionals should be paid a wage that reflects the real value of their work.

For decades, state lawmakers haven’t devoted the needed resources to ensure all families get the child care they need, build a bright future for all our children, or to properly compensate child care professionals. For kids and families to thrive, state lawmakers must prioritize them — and child care professionals — in the state budget.

All families should be able to get the child care they need.
High-quality child care is out of reach for too many families. The average cost of center-based care for an infant and a 4-year-old is $17,592 in Ohio. Right now, a single mother in Ohio, with an infant and a 4-year-old, who works full time at $16 an hour, makes too much to qualify for public support for child care. At the average cost, she’d be paying 53% of her income just on child care expenses, leaving her with few resources to pay for groceries, housing and other basics to support herself and her family.

Governor DeWine’s proposed state budget would make child care more affordable for some working families by boosting initial eligibility for publicly funded child care up from 142% to 160% of the federal poverty level. The proposal would mean a family of three with an income of $36,848 annually — the equivalent of working full time at $17.72 an hour — would be eligible for subsidized child care, up from $32,703 now. This provision is now being debated in the Senate and would help an estimated 15,000 more children get the child care they need. While this would be a positive step if included in the final budget, it still puts Ohio near the bottom in terms of access to public care. Ohio lawmakers can do much more.
Ohio does less than most states to ensure working parents can afford child care

In Alaska, a family of three can make up to $71,520 annually (326% of the federal poverty level) and still qualify for public support to help pay for child care; in South Carolina, a family of three could make up to $65,160 (297% of the federal poverty level) and still qualify for support. If lawmakers want Ohio to be one of the most inclusive and supportive states for families, they should boost initial eligibility to $69,090 for a family of three (300% of the federal poverty level).

Every parent should have the option to join the workforce.

Many parents decide to leave the workforce because child care costs eat up all or most of their paycheck. Mothers are often the ones who make that compromise. Labor force participation in Ohio, unlike the nation, has not recovered. The figure below shows the workforce participation gap between men and women narrowing between 1982 and 2008 (the Great Recession). After 2008, workforce participation rates for men and women in Ohio both declined. Despite already trailing men’s participation, workforce participation amongst women fell even faster, dropping more than 1 percentage point more from the 2008 peak.

Women’s workforce participation decreased after the beginning of the pandemic

Labor force participation over the last 40 years in Ohio: men v. women

Source: Karen Schulman, “At the Crossroads: State Child Care Assistance Policies 2021,” The National Women’s Law Center, May 2022; Suveksha Bhujel and Ryan Sherrock, “Redbook, LBO Analysis of Executive Budget Proposal, ODJFS,” Legislative Service Commission, accessed on March 7, 2023. *Some states have different income limits by county and region. The income limit included in the table is the lowest level in each state, as of May 2022; other counties in Colorado and other regions in VA and TX have higher income limits than the number included in the table.

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When lawmakers reduce the cost of preschool and child care, it boosts women’s participation in the workforce. For example, Washington, D.C. began offering two years of universal preschool in 2009. Between 2009 and 2017, the city’s maternal labor force participation rate increased by about 12 percentage points. Researchers attribute 10 percentage points to the preschool expansion. Quebec has had universal child care since 1997. After 1996, women’s participation in the labor force in Quebec grew from 70% to 81% in 2016. Today, Quebec has one of the highest rates of working women globally.

**Every child should have a strong foundation.**

Just 35% of kids in Ohio demonstrated that they were ready to start kindergarten during the 2022-23 school year. That means 65% of kids started behind, and when children start behind, they often stay behind in school and in the workforce as adults.

When children have positive experiences and relationships with caring, reliable, safe, compassionate adults in their first five years of life, this supports their ability to learn, their behavior, and their overall health. This is why high-quality early child care and preschool are so important for young children, particularly for children from families that are paid low wages or have sporadic income.

The budget passed by the House included $15 million each fiscal year to expand child care for infants and toddlers in Appalachia and in communities with high infant mortality rates. Lawmakers should build on this positive step by making more working parents eligible for public support to afford child care.

**Child care professionals should be paid well for their essential work.**

Child care professionals perform an essential role of loving, caring for and teaching our children, and they enable people to join and stay in the workforce. They are the workforce behind the workforce.

While the Governor’s Office of Workforce Transformation deemed early childhood education as a “critical job” in Ohio, early childhood education professionals in Ohio are deeply undervalued and underpaid. Child care professionals are paid a median wage of just $13.15 an hour. Women make up 95% of the child care workforce in Ohio and child care professionals are disproportionately Black women — a present-day reminder that America’s system for providing child care has its roots in slavery.

Federal lawmakers have perpetuated low pay for child care workers by excluding them, and other domestic workers, from major labor laws, such as the National Labor Relations Act and the Fair Labor Standards Act, which enabled workers in many sectors to form unions. Former Governor John Kasich also took away collective bargaining rights from child care workers.

Since the pandemic, child care professionals have been leaving the field due to the low wages and the emergence of more competitive job opportunities in other sectors. There were an estimated 5,710 fewer Ohio child care employees in May 2022 than there were in May of 2019, according to employment estimates from the Bureau of Labor Statistics.
The child care sector has not recovered

Child care workers employed in Ohio, by year


Low wages for child care professionals have led to a child care crisis in Ohio. It's a major reason why many child care providers are struggling to recruit and retain staff. When child care providers don't have enough staff, they serve fewer families. According to a November 2022 Action for Children report, approximately 7,500 more children could be served if child care providers in Central Ohio were operating at maximum capacity. Four out of five center-based child care providers reported staff shortages and trying to hire more early educators.

High staff turnover harms children, because stable relationships with trusted adults are critical to young children’s development. High turnover also increases burnout among those who remain. Lawmakers can reduce turnover by ensuring child care workers are paid wages that make it worthwhile to stay in the profession.

Governor DeWine’s budget proposal would have supported the child care workforce with a $150 million appropriation to ensure that child care professionals (and those in other critical occupations) could afford child care for their own children. The House eliminated that funding. Lawmakers in the Senate should restore it.

The state of Ohio reimburses child care providers for serving children who receive public support. The rate at which providers are reimbursed is based on a market rate survey of child care providers. Roughly 75% of those surveyed in 2022 received funding from Ohio’s Publicly Funded Child Care program. As such, the system perpetuates the status quo of low wages, inadequate benefits, and limited capacity. Basing reimbursement rates on the market rate survey also doesn't account for inflation, creating a system that, according to the Center for American Progress, bases future payments on a "broken system of the past.”

Ohio should create a new system of cost modeling to set reimbursement rates for child care providers. This would enable the state to account for the full cost of high-quality child care, including wages that reflect the real value of child care work — at least $20 an hour — and family-sustaining benefits, and factor for inflation. Such a system would also help the state plan for the future and make other long-term investments to expand the supply and improve the quality of child care in Ohio.

We have enough to fund our future.
We have enough resources in Ohio to pay child care professionals a living wage and for all children to get the child care they need to thrive. However, some policymakers have chosen to direct our public funds elsewhere. Since 2005, Ohio lawmakers have shifted public resources away from families who are paid low wages and toward the wealthy and well-connected
through tax cuts and special-interest giveaways. As a result, the wealthiest 1% of Ohio households are taking home on average over $50,000 every year in tax cuts. Meanwhile, Ohio households making less than $65,000 are, on average, paying more in taxes today compared to their state and local taxes in 2005. These tax cuts have drained $8 billion a year from Ohio’s budget. Some of those dollars could be going toward making high-quality child care more affordable for families while improving pay for the people caring for Ohio’s children.

**Recommendations**

- Give parents more options for infant and toddler care by expand the supply of early child care in Appalachia and communities with high infant mortality rates by maintaining $15 million per fiscal year for child care infrastructure.

- Restore Governor DeWine’s proposed $150 million appropriation for a child care scholarship program to support professionals in the child care sector and other critical occupations to afford child care for their own children.

- Make child care accessible and affordable for families across the state who need it. State lawmakers can make child care affordable for working families by making more families eligible for public support. Advocates and policy organizations have requested the state increase initial eligibility to 200% of the federal poverty level. To move Ohio ahead in a meaningful way for kids, working parents, and care providers, lawmakers should boost initial eligibility for Publicly Funded Child Care up to 300% of the federal poverty level. This will make child care affordable for thousands of Ohioans who need it, give more children a brighter future, and help more mothers get and keep good jobs.

- Stabilize the child care sector and pay child care professionals a living wage. State lawmakers should make sure child care professionals are paid at least $20 an hour. Lawmakers should change the way they set reimbursement rates for child care providers, to account for the true cost of care and additional costs that may arise. A new cost model could be based on what providers truly need to provide high-quality child care. Once a new cost model is established, state lawmakers must dedicate long-term funding to build a sustainable child care system that supports children, families, and child care professionals.