



Shared Prosperity. Thriving Ohioans.

## Stabilize families, workers, and the child care sector

**Will Petrik**

Co-Chairs Senator Cirino and Representative White, and members of the committee, thank you for the opportunity to testify in support of Ohio's families and the child care workforce. My name is Will Petrik and I am the Budget Researcher with Policy Matters Ohio, a nonprofit, nonpartisan organization. Our mission is to create a more prosperous, equitable, sustainable, and inclusive Ohio.

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. But for decades, Ohio has had a child care crisis. Even before COVID-19, thousands of families could not afford high-quality child care, and most child care workers were paid poverty-level wages.

State lawmakers haven't devoted the needed resources to support families and build a bright future for all our children. The reality in Ohio is that a single mother of two making \$15 an hour spends half her income on child care. This working mom doesn't have enough left over to pay for groceries, rent, health care, and other basic needs, and she makes too much to qualify for publicly funded child care.

### Ohio has a shortage of good jobs in the child care sector

Child care workers, who are mostly women and disproportionately Black and brown women, are often paid poverty-level wages. According to the U.S. Bureau of Labor Statistics the median wage for child care workers in Ohio was just \$10.90 an hour as of May 2020.<sup>1</sup> The low wages for work in child care and the emergence of more competitive job opportunities in other sectors are major reasons why many child care providers are struggling with recruitment and retention of early educators. According to a November 2021 Action for Children report, 50% of central Ohio center-based providers are experiencing staffing shortages.<sup>2</sup> The shortage of workers means child care providers serve fewer families and have longer waitlists.<sup>3</sup> Without child care, many workers can't return to work.

The state is using millions of federal American Rescue Plan funds to stabilize child care providers.<sup>4</sup> Cities and counties can also use federal relief funds to provide rapid relief to child care workers and to families who need support to afford child care. As helpful as it is, though, short-term federal relief alone is not enough to make the necessary long-term investments to make the child care system to work for children, families, and early educators.

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<sup>1</sup> "May 2020 State Occupational Employment and Wage Estimates, Ohio," U.S. Bureau of Labor Statistics, accessed on March 7, 2022, median hourly wage, childcare worker, <https://bit.ly/35Z4Mt9>

<sup>2</sup> Benecke, Alex and Sallard, Christiana, "Taking a Toll: Central Ohio Child Care Provider Survey Report," Action for Children, November 2021, <https://bit.ly/35AIRss>

<sup>3</sup> "State Survey Data: Child Care at a Time of Progress and Peril," National Association for the Education of Young Children, September 2021, Ohio, <https://bit.ly/3ITHQKv>

<sup>4</sup> "Child Care Stabilization Grant," Ohio Child Care Resource & Referral Agencies (OCCRRA), accessed on March 7, 2022, <https://bit.ly/3pLeEOF>

State lawmakers are in a position to help parents get back to work, make childcare affordable for all who need it, and make sure child care workers are paid a wage where they can live with security and dignity.

### **Expand opportunity: Help more parents participate in the workforce**

We must ensure all Ohioans can support their families and participate in the economy. Over 1.1 million women have left the U.S. workforce since February 2020.<sup>5</sup> Women disproportionately work low-paying jobs with challenging hours and inconsistent schedules.<sup>6</sup> Many of these mothers struggle to find child care that aligns with their work schedules.<sup>7</sup> When other cities and states took action to reduce the cost of child care and increase access to child care options, research shows more mothers participated in the workforce.<sup>8</sup>

### **Ensure economic security: Make child care more affordable for more working families**

While lawmakers took a step in making child care more affordable in the last state budget, Ohio still does less than most states when it comes to helping parents afford high-quality child care. House Bill 145 would expand initial eligibility for publicly funded childcare from 142% up to 200% of the federal poverty level. This would help more mothers participate in the workforce, better prepare our children for the future, and make child care more affordable for more working families.

### **Support the workforce behind the workforce**

Child care workers and early educators deserve economic dignity and security, including enough resources to care for their own families. They must earn a living wage for their critical work. Ohio lawmakers can improve wages for child care workers by increasing the state minimum wage to \$15 and increasing reimbursement rates to child care providers.

### **We have enough to build a system that works for everyone**

Ohio has enough for all families to have affordable, high quality child care, but 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.<sup>9</sup> In addition, the 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 their children.

We have enough wealth in our state to make child care affordable for all who need it, stabilize the child care sector, and to pay early educators a living wage. It takes a village to raise a child and to support families in our state. We ask our elected leaders to ensure that the wealthy and corporations pay what they truly owe.

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<sup>5</sup> Tucker, Jasmine and Lepage, Brooke, "The jobs report shows a strong month, but Black women's labor force participation drops and unemployment rate rises," National Women's Law Center, March 2022, <https://bit.ly/3tK9OCJ>

<sup>6</sup> Gelatt, Julia, "Who Minds the Kids When Mom Works a Nonstandard Schedule?" Urban Institute, 2015, <https://urban.is/3qzIH4t>

<sup>7</sup> Henly, Julia R. and Adams, Gina, "Insights on Access to Quality Child Care for Families with Nontraditional Work Schedules" Urban Institute, 2018, <https://urban.is/3ISXPFX>

<sup>8</sup> Schochet, Leila, "The Child Care Crisis is Keeping Women Out of the Workforce," Center for American Progress, March 2019, <https://ampr.gs/2O4Z7FW>

<sup>9</sup> Bervejillo, Guillermo, "The great Ohio tax shift, 2022: How state tax policies indulge the rich at the expense of Ohio families," Policy Matters Ohio, February 10, 2022, <https://bit.ly/3iQumPV>