



Advocates for Ohio's Future

Interested Party Testimony

Study Committee on Ohio's Publicly Funded Child Care and Step Up to Quality Program

March 16, 2022

Chair Cirino, Chair White, and members of the Study Committee on Ohio's Publicly Funded Child Care and Step Up to Quality Program, my name is Kelsey Bergfeld and I am the Director of Advocates for Ohio's Future (AOF). Thank you for the opportunity to provide comments on improving Ohio's child care system.

AOF is a nonprofit, nonpartisan coalition of over 500 state and local health and human services policy, advocacy and provider organizations that strive to strengthen families and communities through public funding for health, human services, and early care & education. We work to empower and support nonprofit organizations in the critical work they do, especially as it relates to lifting up the most vulnerable among us.

We are grateful to this committee for undertaking the important task of investigating how to make Ohio's Publicly Funded Child Care (PFCC) and Step Up to Quality (SUTQ) programs more robust and accessible. Ohio's early childhood programs support the essential development of social, emotional, and cognitive skills for kids as they prepare to enter kindergarten and are a necessary support for working families. AOF supports quality early childhood programs, and Ohio's children deserve quality early childhood programs.

Although we ask our early childhood educators to watch over our children through the most important developmental years of their lives, Ohio's child care workers and preschool teachers are paid almost poverty wages. According to the Bureau of Labor Statistics, the average hourly wage for Ohio's 14,000 child care workers is \$11.58, with an average annual salary of \$24,090.¹ With such low wages, child care professionals often face food insecurity, housing insecurity, and an inability to pay student loans for the degree that quality programs often demand.

Even if early education programs are able to attract and retain staff to remain a quality, competitive program, many Ohio families continue to struggle to access PFCC. Families across our state are challenged to maintain stable, affordable housing, cover utilities, obtain safe care for children during school hours and beyond; and find meaningful work after facing job insecurity due to COVID-19. After parents manage to secure work, finding affordable, quality care for their children becomes a significant challenge. All parents deserve to know their child is in a safe, nurturing environment while they're at work and all kids regardless of race, class, gender, or zip code, deserve the best start to learning possible.

According to ChildCare Aware of America, Ohioans pay an average of \$10,009 annually for child care at a center and an average \$7,592 annually for home-based programs. The U.S. Department of Health and Human Services states that families should spend no more than 7 percent of their income on child care, but with every family type and program type, the average Ohio family spends much more.²

¹ Bureau of Labor Statistics, Occupational Employment and Wage Statistics, <https://www.bls.gov/oes/tables.htm>

² ChildCare Aware of America, Price of Child Care in Ohio, <https://bit.ly/366T4gq>

In order for Ohio to raise wages for early childhood educators and make PFCC more affordable for families, we must address the funding sources from which PFCC and SUTQ draw their support. The current patchwork practice of funding child care in Ohio is not sustainable. Investments necessary to improve the system should be supported by predictable and long-term state-based funding now, and in the future.

PFCC is currently funded from the federal Child Care and Development Fund, the Temporary Assistance for Needy Families (TANF) block grant, and limited state expenditures. TANF funding supports a number of vital programs for Ohio families, including the Ohio Works First (OWF) cash assistance program, the Kinship Caregiver Program, the Prevention, Retention and Contingency (PRC) diversion program, child welfare, and more. Of all of these programs, PFCC is the largest single program expense funded through TANF in Ohio.

Of the federal TANF block grant, Ohio's TANF maintenance of effort contribution and the TANF sustainability fund, \$528.5 million will go to PFCC in fiscal year 2022, equal to 33 percent of Ohio's total TANF funds. In fiscal year 2023, that percentage will increase to 40 percent of Ohio's TANF funds being used for PFCC.³

With early childhood education laying the groundwork for success throughout the rest of a child's life, the success of Ohio's children cannot be restricted by a funding source such as the TANF block grant that hasn't seen a funding increase since the program's inception in 1996, nor can this committee overlook the impact of diverting funding to PFCC from TANF's other core programs that work in tandem with child care to keep families stable, lift them out of poverty, and allow them to be active participants in the workforce. AOF asks this committee to explore alternative, predictable, sustainable funding sources for future program years.

AOF has long advocated for increasing access to PFCC by increasing the initial eligibility limit to 200 percent of the federal poverty level (FPL), a change that we ask this committee to consider throughout its work, but access alone cannot solve Ohio's child care system without also ensuring affordable, highly reimbursed programs are funded from secure and appropriate sources. As Ohio's elected leaders, you have a moral and economic imperative to reach out and support at-risk children and their families to ensure all Ohioans, no matter their neighborhood, are given the chance to succeed, recover from this pandemic and climb the ladder up and out of poverty.

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³ Ohio Department of Job and Family Services, TANF Program Services Framework for SFY 2022-2023