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Guest Column:

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Ensuring Accessible and Affordable Childcare for Ohio's Economic Success

It is time to address one of the most pressing challenges affecting our state's success: childcare access and affordability. A thriving economy requires a skilled and dedicated workforce, and to achieve this, we must address the barriers that working parents face in accessing affordable, quality childcare options.

The Ohio Chamber's Blueprint for Ohio's Economic Future, a comprehensive vision released late last year that analyzes Ohio's economic outlook and compares it to other states', identifies six key areas for improvement.

One of these six areas for improvement is "education & workforce." Childcare plays an important role in supporting a productive and efficient workforce. It allows parents to enter and remain in the workforce without putting their families second. By providing reliable childcare services, we empower people, especially single parents and dual-income families, to fulfill their professional goals. This increases workforce stability and ultimately leads to economic growth for our state.

Additionally, quality childcare is a key component of overall quality of life. For our state to be great, people must want to live here, and that is much more likely to happen if parents feel satisfied with the available childcare options.

Unfortunately, Ohio is currently facing childcare challenges, especially in its more rural areas. Sixty percent of rural Ohioans live in "childcare deserts," which are defined as any census tract that contains more than 50 children under age five where no childcare providers are available or any tract in which there are more than three times as many children as licensed childcare slots. Childcare locations tend to be concentrated in urban areas— but the affordability of these facilities holds back parents in these areas, too.

Ohio's infant care on average is more costly than rent. Our ratio of childcare costs to rent costs is 103%, making our state one of the worst in the nation by this metric.

Ultimately, no parent should have to drop out of the workforce or scale back their hours due to childcare expenses, yet more than 4 in 10 working parents in Ohio with children under 5 say they've had to cut back on hours recently to care for their children (Groundwork Ohio Dec. 2021 survey).

Additionally, 60% of non-working or part-time moms with children under 5 say they'd go back to work or work more hours if they had access to affordable, quality childcare. That presents a huge opportunity for Ohio to build a more robust workforce if these barriers to childcare access are eliminated.

To address these issues and help our state realize its full economic potential, and to ensure Ohio parents feel supported and unburdened, we must take action now. The Chamber's Blueprint recommends a number of steps we can take to improve Ohio's childcare climate.

In the FY22/23 state operating budget, the Ohio General Assembly and the DeWine/Husted Administration increased the eligibility threshold for publicly funded childcare to 142% of the Federal Poverty Level (FPL). This measure has helped allow more families to participate in childcare.

Another issue has been insufficient wages for childcare workers, which lead to smaller staffs and lower facility capacities. One-time federal funding has afforded short-term ability to increase wages for childcare workers, but this solution is not sustainable long-term. The Ohio Department of Job and Family Services believes a 34% increase in wages is necessary to maintain the current childcare workforce.

We should also incentivize childcare startups in rural areas and further examine childcare facility regulations to identify potential reforms. The Ohio Chamber plans to work with JobsOhio to determine the feasibility of a program that would incentivize development of on-site childcare facilities and study the interplay between OSHA and facility regulations, with the ultimate goal of eliminating childcare deserts.

The Ohio Chamber also plans to form a workgroup with interested parties, such as the Ohio Department of Job and Family Services and the Ohio Treasurer's office, to explore policy options such as further raising the poverty threshold, incentivizing wage increases for childcare workers and creating a linked deposit program for new childcare startups in childcare deserts. The Chamber will also study the childcare industry to determine if assistance can be given to facilities that open for non-traditional hours and offer other options to open additional slots for parents.

Ohio's future success hinges on nurturing a strong, sustainable workforce. To achieve this, we must address the issue of childcare access and affordability. Through a collaborative effort with other invested entities, the Ohio Chamber seeks to increase worker wages, raise the poverty threshold that allows for subsidized childcare, encourage more childcare facilities in rural areas,

and ultimately continue to examine the childcare industry and any further improvements that can be made.

Together we will ease the burdens on Ohio's parents, allowing them to join or rejoin the workforce if they so choose, strengthening our state's overall economy as well as quality of life for all Ohioans.

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