



Eaton Corporation  
Public and Community Affairs  
1111 Superior Ave.  
Cleveland, OH 44114

**Barry Doggett**  
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Good Morning Chairman Carey, Ranking Member Miller, and members of the Senate Finance Committee. My name is Barry Doggett, and I am Senior Vice President of Public and Community Affairs for Eaton Corporation in Cleveland. Eaton is a diversified industrial manufacturer that employs over 3,200 people at 20 locations across Ohio. Each year Eaton pays over \$20 million in state and local taxes, and makes over \$2 million in charitable contributions in the state. I am here to support a continued investment in early childhood care and education in the state budget. Eaton believes that children who are healthy, well cared for, and ready to learn when they enter kindergarten are far more likely to graduate from high school and college and become successful adults. We believe that because research shows it to be true.

Eaton has supported the work of Cuyahoga County's Invest in Children since the initiative's inception in 1999. I would like to share some of the significant accomplishments that have occurred in Cuyahoga County over the past decade.

Last year alone, Invest in Children reached over 65,000 children through a comprehensive set of services beginning in the prenatal period and continuing to kindergarten so that children are ready to learn in school and in good physical and emotional health.

Because of Invest in Children, parents and caregivers are getting the support they need. Children have better access to health insurance and health care, and they are experiencing the kinds of high quality child care that are so important to kindergarten readiness.

Since 1999, the number of babies born to mothers with no prenatal care has declined from 4.5% to 1.2%. In addition, Invest in Children is currently identifying twice as many children needing early intervention services by six-months of age than were identified before the initiative.

The proportion of children with no health insurance fell from 10.5% in 1998 to under 4% in 2008.

Stability of care for children with special needs in child care has increased as a result of technical assistance offered to providers. We have created a Universal Pre Kindergarten program which aligns with state recommendations and provides high quality preschool to 1000 low and moderate income children, ensuring that they start kindergarten ready to learn. Currently this program is entirely funded by the county at a cost of \$3.1 million, though it is our hope to have the state join us as a funding partner as some point in the future.

A significant reason for Cuyahoga County's success has been the fact that we have built and sustained a quality system, one that fosters public and private collaboration and service coordination. Two years ago, the State of Ohio wisely made a significant investment in a similar system in order to take innovation in early childhood beyond the community level and across Ohio. We cannot allow the system to erode.

Because the statewide system that we've begun to build relies on programs like Help Me Grow, Public Preschool, and the Early Learning Initiative-- programs that are slated to suffer substantial cuts in this budget season -- our system, and the children that it serves, are at risk. In Cuyahoga County alone, we are estimating that the number of children served by Help Me Grow will be reduced by more than half. Such a reduction in

services to children also results in job losses for adults. We know that at least 20 jobs are being eliminated within the county Help Me Grow infrastructure; with many more to follow among service providers.

Looking at the proposed budget across all early childhood programs statewide, we estimate that 130,000 children who would have been eligible for services in 2009 will not be able to access services in 2010.

The ultimate impact will be that fewer children in the State of Ohio will enter kindergarten prepared for success. This is a decision we cannot afford to make. We firmly believe that Ohio's best days lie ahead: but only if we make the right decisions now regarding where to place our limited resources. When funds are tight it is imperative that we make the smartest investments possible. That is why I ask you today with great urgency to protect Ohio's Early Care and Education in this budget cycle.

We see the impact of investments in early childhood in our families and in our schools. Children who enter kindergarten prepared to learn following participation in high quality early care and education settings exhibit better language, mathematics, cognitive, and social skills, as well as better relationships with classmates than do children in lower-quality care.<sup>i</sup> Subsequently, students are 40 percent less likely to need special education or be held back a grade and are 70 percent less likely to commit a violent crime by age 18. Successful children grow up to be successful, productive, tax-paying adults.

We see the impact of investments in early childhood in our workforce. Quality, stable childcare and family support can help parents remain in the workforce on a daily basis. Nearly one-quarter of unscheduled absences are due to family issues including early care and education needs. In Ohio, unscheduled absences cost small businesses an average of \$60,000 annually, while large companies lose about \$3.6 million annually. Providing the resources that ensure adequate early care and education capacity in high quality settings will reduce those costs and help stabilize business development.

Last, we see the impact of investments in early childhood in our overall economy. Eaton has supported Invest in Children because we recognize the connection between early care and education and success in later life, which translates to higher educational attainment, more qualified workers, and increased earning potential. We are not alone in that recognition. Ben Bernanke, Chairman of the Federal Reserve, said in a recent speech, "*Although education and the acquisition of skills is a lifelong process, starting early in life is crucial. Recent research--some sponsored by the Federal Reserve Bank of Minneapolis in collaboration with the University of Minnesota--has documented the high returns that early childhood programs can pay in terms of subsequent educational attainment and in lower rates of social problems, such as teenage pregnancy and welfare dependency.*"<sup>ii</sup> Investment in high quality early childhood education has a lasting impact on successful economic development.

If we choose now to sacrifice funding for early care and education, we jeopardize the progress we have made. We cannot go back on our commitment to our youngest citizens if we intend to repair Ohio's economy, strengthen our school system, attract new growth, and improve our future workforce. High quality early care and education is a proven strategy in addressing all of these goals.

Thank you and I would be happy to take any questions.

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<sup>i</sup> "Building Blocks for Success: State Efforts in Early Childhood Education." *Education Week*. 2002.

<sup>ii</sup> "The Level and Distribution of Economic Well-Being" Chairman Ben S. Bernanke Before the Greater Omaha Chamber of Commerce, Omaha, Nebraska February 6, 2007