

Investing in young children strengthens Ohio today & tomorrow



An investment in young children is an investment in the economic strength and future success of Ohio. It has a significant positive impact for children, families, and businesses.

■ ■ ■ **It costs Ohio \$3.9 BILLION each year in** **lost earnings, productivity, and revenue** → due to the infant-toddler child care crisis. The negative impact has more than doubled since 2018.

■ ■ ■ **Lack of investment is currently costing the state billions of dollars each year. Instead, accessible and affordable child care would...**

- Ensure children are healthy and ready to learn.
- Enable more women and families to be fully employed with less disruptions.
- Address the expanding and evolving workforce needs of existing, new, and anticipated employers across Ohio.
- Support the growth and development of the state's economy, bolstering the critical infrastructure investments today and into the future.



In December 2022, Governor DeWine announced 14 projects expected to create over 1,600 new jobs statewide. Yet, the struggle for Ohioans to find accessible, and affordable child care, which was made worse by the pandemic, is a serious problem, particularly in rural areas of Ohio. It is costing Ohio's families and the state economy billions of dollars, it is worsening the labor shortage challenges for Ohio businesses, and it is causing children to fall further behind.



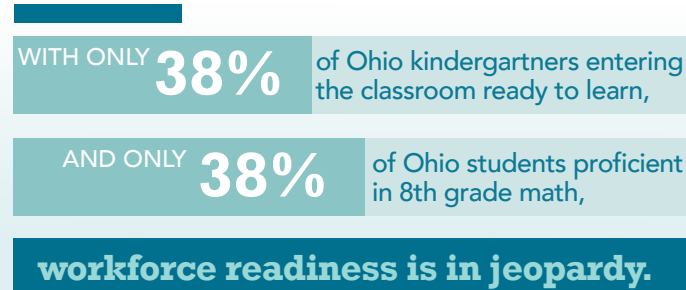
The lack of investment in Ohio's young children and child care...

➔ ...leaves Ohio's young children behind and jeopardizes our future workforce.

All of Ohio's young children need early learning opportunities to ensure they can reach their full potential and a lifetime of success.

“We want our children to grow, learn, and ultimately live and work right here in Ohio! Keeping our young people in Ohio has never been more important, as we create jobs faster than we can fill them.”

~ Governor DeWine's
State of the State Address, 2023



➔ ...restricts Ohio's workforce today and in the future.

A strong child care industry means parents can go back to work today knowing their child is receiving early learning experiences while building and strengthening the workforce of tomorrow.

“As an Ohio-based employer, our team members cannot and will not come to work if they do not have safe, quality child care for their children. Every one of our team members' successes at work greatly depends on the well-being of their children.”

~ Jane Grote Abell
Chairwoman of the Board of Donato's Pizza

Child care costs in Ohio:
On average, are more costly than rent. Our cost ratio is among the worst in the nation.

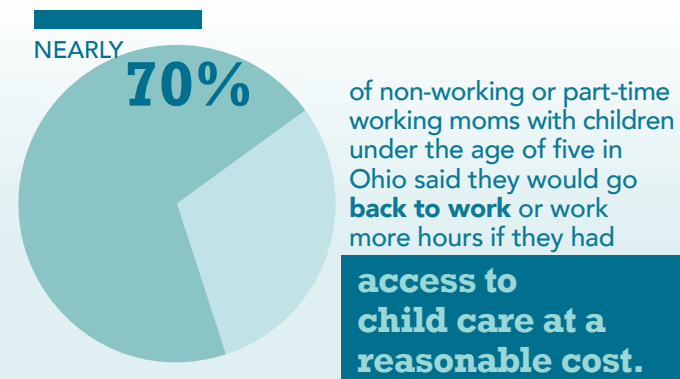
Child care availability:
60% of rural Ohioans
30% of all Ohioans
are living in a child care desert, defined as an area with three times as many children as licensed child care slots.

➔ ...directly impacts a working mothers' ability to provide for her family.

This plays a foundational role in stabilizing business, rebuilding our economy, and helping all families thrive.

“This country needs to decide how we remove barriers for women to work, and one of them is access to child care.”

~ Suzanne Clark
U.S. Chamber of Commerce President & CEO



➔ ...impacts Ohio's ability to attract new business investment across the state.

Right now, Ohio parents are forced to choose between taking on full-time, full-year work or stay un- or under-employed because they cannot afford the high cost of child care.

“Ohio businesses and workers are facing long-simmering challenges—and finding reliable, affordable, and safe child care is one of the most pressing. The business community can and will step forward to help, but we need additional federal investment as well. No Ohio worker should have to choose between family and work.”

~ Steve Stivers
President & CEO, Ohio Chamber of Commerce

OHIO'S ECONOMY
LOSES approx.
\$3.9 BILLION PER YEAR
due to child care issues.



Nationally, the annual cost is **\$122 BILLION** in lost earnings, productivity, and revenue.

“Child care is a two-generation workforce issue. Just as I want our customers to see us at our best, Ohio needs to focus on the highest quality of care for the dollars it invests. This means you don't cut corners—you invest to get results.”

~ Kevin McDonnell
President & CEO of Skyline Chili

Groundwork Ohio FY24-25 Budget Agenda

We look forward to working with the Ohio House and Senate to strengthen the Governor's vision, continuing to build and improve upon it to ensure all Ohio children and families can reach their full potential.

We recommend a new investment in infant & toddler child care.

- ✔ **Infant & Toddler Child Care Infrastructure Grant**—Allocate \$30 million of General Revenue Funds over the biennium to increase capacity of local communities, specifically Appalachian and communities with high infant mortality rates, to provide safe and developmentally appropriate child care for infants and toddlers. The current infant and toddler child care crisis is costing Ohio an estimated \$3.9 billion a year in lost earnings, productivity, and revenue.

We recommend increasing proposed funding for preschool.

- ✔ **Early Childhood Education Grant**—Increase the proposed additional funding for the Early Childhood Education grants by an additional \$46 million over the biennium. These additional funds can support providing additional half-day preschool slots or for the piloting of full day preschool slots. For every \$1 million added to this program, 250 more low-income 3- and 4-year-olds gain access to preschool. When children are prepared for kindergarten, they are prepared for future academic success. Currently, 62.1% of Ohio children are **not** demonstrating Kindergarten readiness.

We recommend supporting the increase in publicly funded child care eligibility to 160% of the Federal Poverty Level (FPL).

- ✔ Increasing child care eligibility for publicly funded child care from 142% of the FPL to 160% expands access to child care for more Ohio families—a critical workforce support and opportunity for early learning. This will result in more than 15,000 children and families gaining access to care.

Groundwork Ohio is a non-profit nonpartisan advocacy and policy organization with a mission to ensure all young children are healthy and ready to learn.

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[GroundworkOhio.org](https://www.groundworkohio.org)



Sources

1. [Groundwork Ohio's Early Childhood Dashboard \(2023\)](#)
2. [Blueprint for Ohio's Economic Future](#), Ohio chamber of Commerce, 2022
3. [Council for a Strong America ReadyNation Report, February 2023](#)

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