

# Make Work Pay for Working Families with Young Children - Child Care

KNOW THE ISSUES

Early Investments. Lifelong Returns.



Access to high-quality, affordable child care is essential for both a child's early development and a family's financial stability. Yet, many Ohio families struggle to find and afford reliable child care due to the state's low income eligibility threshold for subsidies and a shortage of quality programs. Ohio currently ranks among the lowest in the nation for publicly funded child care eligibility, leaving working parents with limited options to maintain steady employment while ensuring their children receive the care and education they need.<sup>1</sup>

### WHAT DOES THE DATA TELL US?

## CHILD CARE IS TOO EXPENSIVE...

\$12,351

Toddler care: \$11,125

\$9,580

In 2023, for center-based care, annual infant care averaged \$12,351, annual toddler care averaged \$11,125 and annual preschooler care averaged \$9,580, up to a 23% increase from 2021.<sup>2</sup>

## ...AND OVERWHELMS FAMILY BUDGETS.



Yet many families struggle to afford the cost of quality child care or live in a region with limited supply. The average Ohio household with two children spends 29% of its income on child care.<sup>3</sup>

# MANY WORKING FAMILIES DON'T HAVE ACCESS...

308,890

children in low-income, working families did not have access to early care & education.

In SFY 2023 only 53.6% of children, ages 0-5, with family incomes below 200% of the federal poverty level were enrolled in state early care and education programs.<sup>4</sup>

# ...WHICH KEEPS QUALIFIED PARENTS OUT OF THE WORKFORCE.



More than 6-in-10 Ohio moms with children five and younger who do not currently work full time (61%) say they would go back to work if they had access to high quality and affordable child care.<sup>5</sup>

# Groundwork Ohio's request of the Ohio Congressional Delegation:

September 30, 2025

High-quality child care and early learning programs are the foundation for healthy child development and thriving families. The success of these programs is critical to supporting Ohio's workforce and economic infrastructure. Yet in Ohio, only a fraction of eligible children can currently access programs like child care assistance or Head Start. Challenges to accessing child care for families results not only in families facing steep costs, but also in businesses losing talent, and our state economy losing \$5.48 billion annually.<sup>1</sup>

The Senate Appropriations Committee has recognized the urgency of this issue. In July 2025, Senate Appropriators set the overall Labor-HHS spending number for FY2026 at \$197 billion, with a \$170 million increase for early learning programs. We urge the Ohio Congressional delegation to support these Senate-proposed investments.

#### 1. Child Care & Development Block Grant (CCDBG)

Support Senate FY26 Proposal: \$8.83 billion (an \$85 million increase over FY25)

- In Ohio, 237, 528 children under age five are eligible, yet only 29,440 are served (12%).
- The CCDBG allows low-income working families to access safe, high-quality care, but limited funding means most eligible families will remain unserved.
- Increased federal funding would expand access, support providers, and strengthen Ohio's workforce.

#### 2. Head Start

Support Senate FY26 Proposal: \$12.36 billion (an \$85 million increase over FY25)

- Head Start serves 33,282 children across 651 program sites through 62 grants in Ohio.
- These programs prepare children for school and provide a continuum of high-quality care, including critical health, nutrition, and family support services.

Oppose reclassifying Head Start as a Public Benefit

• Requiring local Head Start programs to check the legal status of all children raises barriers to access for all children and families, burdens them with excessive red tape, and breaks a longstanding community trust of Head Start as a safe place.

### 3. Preschool Development Grants Birth-5 (PDG B-5)

Support Senate FY26 Proposal: \$315 million (level funding with FY25)

- To date, Ohio has leveraged \$58.5 million in PDG B-5 funds to strengthen its early learning system, including early childhood provider-business partnerships.
- Maintaining this level of funding is critical to continue systems-building work and
- ensure that families have access to high-quality services.

Support Senate Appropriation Proposal	
CCDBG: \$8.83 billion	1 \$85 million over FY25
Head Start: \$12.36 billion	\$85 million over FY25
PDG B-5: \$315 million	Level with FY25

Support bipartisan legislation to increase access to affordable quality child care	
Child Care	Strengthens and expands access to high-quality child care by
Modernization Act	investing in new facilities, ensuring payment rates reflect the true
	cost of care, and supporting the child care workforce.
HEADWAY Act	Eases workforce shortages by permitting some Early Head Start classroom teachers to be in the process of earning their Childhood Development Associate (CDA) credential while retaining the requirement that at least one teacher in every classroom is fully credentialed with at least a CDA.
Head Start for Our Future Act	Allows college students to work in Head Start and Early Head Start programs through Federal work-study.

Investing in young children is one of the most effective and bipartisan actions Congress can take. Every dollar spent on early childhood yields significant returns on investment, estimated at roughly 13% and resulting in improved school readiness, overall child wellness, workforce participation, and economic growth.

On behalf of Ohio's families, child care providers, and businesses, we respectfully urge you to support the Senate's FY26 funding levels for CCDBG, Head Start, and PDG B-5. These investments will ensure that more of Ohio's youngest children are ready to learn, families can work with peace of mind, and Ohio's economy can thrive. The additional legislation mentioned in the second chart above will help ensure that these critical investments realize maximum impact for Ohio's youngest learners and the workforce needs of families and employers.

1. <u>Untapped Potential Report: Ohio | U.S. Chamber of Commerce Foundation</u>
2. Garcia, J., Heckman, J., et al. (2016). The life-cycle benefit of an influential early childhood program. The University of Chicago, Department of Economics. <a href="https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2884880">https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2884880</a>



