



Increasing Access to Childcare

Background

The cost of center-based childcare for an infant in 2019 was \$10,009—not much less than the cost of tuition at some four-year public universities, according to 2021 study from Child Care Aware of America. Similarly, the average cost for center-based care for two children—one infant and one four-year-old—in Ohio is \$18,267, on average. This cost is more than 20 percent of median household earnings for a two-parent household. Childcare is considered affordable if it costs families no more than seven percent of their income, according to guidance from the U.S. Department of Health and Human Services.

The Need

Workforce Impact: The National Women’s Law Center (NWLC) found that expanding access to affordable, high-quality childcare to everyone who needs it would increase the number of women with young children working full-time/full-year by about 17 percent, and by about 31 percent for women without a college degree.

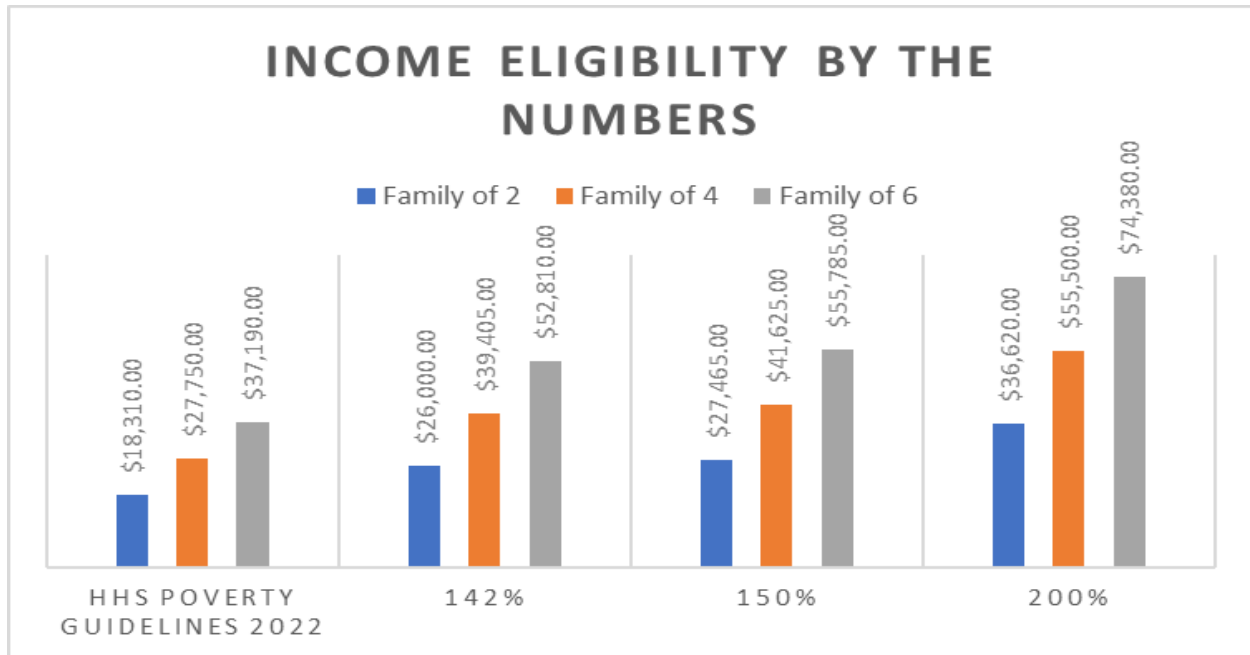
Childcare is also a workforce issue for women who make up nearly 93 percent of the childcare workforce. While the childcare sector has been improving, there are still fewer jobs available. Decreased capacity combined with staffing shortages have made it difficult for parents to secure affordable childcare or return to work in the childcare field.

A fall 2021 survey conducted by the Century Foundation found almost one-quarter of families with young children were unable to access their formal childcare because of pandemic-related disruptions. The rate was almost one-third for low-income households. These disruptions were reported much more frequently by mothers than fathers, and families of color also reported more disruptions, with the rate for Black families reaching almost one-third. As a result of inadequate childcare, 20 percent of affected households reported either leaving or losing their jobs.

Eligibility and Access to Publicly Funded Child Care: The state of Ohio helps working families with low incomes offset the high cost of childcare through the Publicly Funded Child Care (PFCC) program, which uses a combination of state and federal dollars to help low-income families afford childcare. Policy Matters Ohio found that in 2019, Ohio issued just over \$697.7 million to help parents afford childcare, which comes to an estimated average subsidy of \$497 per child per month.

In the state budget, Ohio’s General Assembly expanded the initial eligibility for publicly funded childcare from 130 percent of the Federal Poverty Level to 142 percent in 2021. A 2022 report released by Children’s Defense Fund-Ohio found that just 5.5 percent of Ohio’s children were enrolled in publicly funded childcare in Fiscal Year 2021.

Even with the expansion, Ohio’s eligibility for childcare assistance is low. The chart on the following page shows poverty thresholds for households with two, four, and six persons with the accompanying calculated incomes to qualify for publicly funded childcare at different percentages.



Data analysis by the Urban Institute shows that if Ohio expanded eligibility allowing more families to qualify for publicly funded childcare, more children would be enrolled in childcare and more mothers would be able to join the workforce. Additionally, the increase in parental employment and family income would lift children out of poverty.

What Should Ohio Do?

Ohio can support working parents by expanding initial eligibility income to 200 percent of the Federal Poverty Level. Increased eligibility will provide benefit to working Ohioans in multiple ways:

- Provide employment opportunities in the childcare field
- Allow parents to reenter and stay in the workforce
- Expand the number of families who can access affordable quality childcare services.