Policy Matters Ohio

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Legislators let child care crisis fester

Inflation-adjusted state funding is less than in the previous budget

Despite Ohio's ongoing child care crisis and policy options that could address its root causes, the state legislature cut inflation-adjusted state funding for child care by $5.6 million over the biennium. That is among the findings of a new analysis from Policy Matters Ohio.

"Many child care providers operate on razor-thin margins," said Policy Matters researcher Heather Smith. "Legislators largely ignored their testimony and recommendations in favor of inadequate or misguided policies that leave out the children, providers, and families in greatest need."

Legislators entirely sidestepped provider input on three of their most harmful provisions by adding them near the end of the budget process with no opportunities for public testimony. The report details how these policies will collapse PFCC payment categories, change payment thresholds, and increase staff-to-child ratios.

"These eleventh-hour changes will reduce payments to providers and quality of care," Smith said. "It's clear why legislators made these changes behind closed doors. They aren't just ineffective or inadequate; they will actively harm child care providers, causing more of them to close their doors and making child care even more difficult to access and afford, especially in rural areas where it is already scarce.

Child care advocates successfully pressured lawmakers to include some positive changes in the budget. These include a change in the language of existing policy that has prevented half the state's providers from receiving the full value of PFCC's Base Rate reimbursement.

"This revision is a concrete improvement that will raise the bottom line for half the providers in Ohio," Smith said. "It was made because of effective advocacy by leaders in the child care sector, especially early childhood educators from the Care Economy Organizing (CEO) Project."

Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.