



A Memorandum for Intel Corporation to Invest in Ohio's Childcare System

This memo outlines how Intel and the state of Ohio can effectively partner with grassroots organizations like the Ohio Organizing Collaborative to gain a competitive advantage in applying for "CHIPS for America Incentives program" funding. This partnership will not only leverage Ohio's federal leadership, but also ensure a diverse set of child care providers, including Family Child Care providers in key communities, can co-create a roadmap to deliver quality child care to Intel's current and future workforce while investing in communities that need employment opportunities the most. By collaborating with these stakeholders, Intel can create a more equitable and inclusive workforce, which is crucial for ensuring that everyone benefits from the growth of the semiconductor sector.

An opportunity for new federal investments in Ohio:

The Federal CHIPS program provides Ohio's semiconductor industry with millions of dollars in subsidies to expand their facilities. These investments are expected to add 3,000 jobs in the industry, 7,000 on-time construction jobs and 10,000 indirect jobs. It is estimated that nearly 60% of the manufacturing and related supply chain jobs will require no more than high school or community college training. The state of Ohio has promised \$2 billion in incentives in exchange for Intel's choice to expand operations in the state.¹

The CHIPS Act funding applicants are required to meet certain criteria that demonstrate their alignment with the White House Good Jobs Initiative Principles. These criteria include the development and implementation of workforce development plans that clearly outline a comprehensive, achievable, and equitable strategy to generate the workforce required to achieve their project goals. Moreover, applicants must provide a plan for access to child care for facility and construction workers. The application process also includes a set of "community investments" designed to promote regional economic resilience and broad-based growth. These investments aim to remove obstacles to economic participation and benefit disadvantaged communities.²

Frontline community organizations, especially those representing women of color in the childcare sector, have advocated and won statewide and local investments for Ohio's working parents:

The [Ohio Organizing Collaborative](#) (OOC) is a statewide grassroots community organizing group that fights for social and economic justice in Ohio. Our collaborations have successfully brought together

¹ <https://www.jobsohio.com/intel-in-ohio>

² https://www.nist.gov/system/files/documents/2023/02/28/CHIPS-Commercial_Fabrication_Facilities_NOFO_0.pdf

local partners in government, community, and workforce arenas to advance funding mechanisms, career pathway plans, and small business investments to address gaps in child care and workforce systems.

Our advocacy efforts aim to deliver local and state funding to build a more comprehensive child care system. **Specifically, OOC's Care Economy Organizing Project (or [The CEO Project](#))** organizes family child care providers, early childhood educators, parents, and teachers to take collective action on issues impacting the care economy in Ohio.

The CEO Project is fighting for fully-funded economic investments in the State of Ohio that transform the lives of families, children, and early childhood educators. We are united in our belief that no matter what zip code you live in, children deserve access to high-quality early education and those that render this invaluable care deserve wages that allow them to thrive. By building the leadership of Black women and women of color who are directly impacted by the care economy, we believe that these women can build enough collective power to transform Ohio.

Some key investments and policies that the OOC has delivered will benefit the semiconductor industry in Ohio:

- In 2016, we organized and won the Preschool Promise initiative on the ballot in the cities of Cincinnati & Dayton.
- We worked with a coalition of organizations to advocate for a budget increase of \$100 million for the Ohio Department of Job and Family Services, including additional funding for child care assistance.
- We helped ensure federal ARPA funds to Ohio that included nearly [\\$800 million in stabilization grants](#) for Ohio's providers, as well as an additional [\\$500 million](#) to supplement their child care subsidy program (through the Child Care Development Block Grant).
- We expanded childcare subsidies, extended postpartum care and treatment under Medicaid.
- In 2020, we successfully fought for stimulus and unemployment insurance payments to help providers access resources during the pandemic.
- We believe families want and need the choice of child care in a diversity of settings. That's why we support providers to offer high-quality care at centers and in family-home settings as well as by friend, family and neighbor providers.
- We have secured over nearly \$3M for child care and workforce development in Cincinnati and over \$20M in Franklin County families and providers.

Child care is the work that makes all other work possible and is part of our state's essential infrastructure:

A comprehensive child care system would not only provide high-quality, accessible, culturally relevant, inclusive, and affordable care for families, but it also creates greater workforce stability by providing care in a variety of settings that meet different family needs, whether it's outside of traditional working hours, in a language other than English, or offered in different settings.

There are critical issues that must be addressed in order to deliver a child care plan that will meet Department of Commerce criteria.

- 1. Intel must prioritize growing the supply of family child care providers, especially those serving low -income communities in Franklin and Licking counties.**

According to a 2021 report by the Ohio Chamber of Commerce Research Foundation, the majority of child care workers are women (over 90%), and nearly 50% of child care workers are people of color, with Black workers being the largest demographic group (28.5%). More than half of the child care workforce are aged 35 or older.³

Unlike the semiconductor industry in Ohio, the mostly women and women-of-color-owned businesses and workforce have very limited access to traditional capital, economic development grants, or tax breaks to grow their businesses. And yet, the economic development programs to grow high-wage jobs will rely on these child care businesses to support that growth.

- 2. Intel must ensure an affordable housing strategy and planning will extend to child care providers.**

The cost of housing has driven many family child care providers out of the sector. Intel, working with child care providers and city and county economic development offices, can provide grants and no-interest loans to providers to purchase properties to locate businesses and or expand in existing locations. Semiconductor firms in other states have utilized this forward thinking strategy to start growing child care capacity today in preparation for future workforce needs.⁴

- 3. Intel must create grants for providers to grow capacity, services and learning.**

These grants can give providers the economic support to help them extend hours of operation to accommodate the non-traditional hours many construction and manufacturing workers will need. They can also deliver the capital needed to hire more workers as they ramp up their capacity to care for more children. Additionally, having investment funds can help child care employers create educational incentives to attract new hires into the sector and cover the costs of training and certification. This funding can also enhance learning opportunities using the STEM curriculum.

- 4. Intel must plan for an affordable, accessible and reliable transit system.**

³ https://ohiochamber.com/wp-content/uploads/2022/10/FINAL_Blueprint-for-Ohios-Economic-FutureV2.pdf

⁴ <https://www.localsyr.com/news/local-news/micron-to-invest-500k-into-ymca-of-cny-to-address-childcare-desert/>

The lack of a reliable and safe transit system is a significant barrier to Franklin and Licking county workers. Intel and state and local governments need to start planning a system of transportation that can meet the needs of thousands of new workers in the region and ensure that child care providers are helping in the design the construction and permanent workforce needs reliable and affordable transportation from home to care (which may be close to school, their homes or their work) to work and back.

5. Intel must help grow the child care workforce in Ohio by supporting higher wages and creating education and training opportunities in the workplace.

In addition to affordability, child care providers in Ohio face difficulty recruiting and retaining early educators due to low wages, with the child care system relying heavily on low-paid labor primarily performed by women and disproportionately Black women, as noted above. Moreover, the emergence of more competitive job opportunities have made it difficult to attract and retain early educators. As a result, child care providers are experiencing staffing shortages, which means they cannot serve as many children as they would like.

6. Intel must invest in family child care providers as training centers for new entrants into the child care system.

Intel – in addition to the State of Ohio – can make deep investments in this area by providing direct funding to family providers to train new workers, provide them a sustainable wage and help them increase their credentials.

7. Intel must work with the state of Ohio to streamline Ohio’s credential verification systems to help qualified workers start their careers.

Providers endure long wait times for verification of credentials creating stress and financial hardship for both future workers and employers. The state of Ohio must break through the gridlock that keeps qualified workers from starting their jobs as soon as possible. And, compensation must be provided to employers delayed in hiring due to that gridlock.

- **The Ohio Department of Job and Family Services should fix administrative issues that keep payment rates for child care subsidies artificially low.**

That means raising eligibility to 200% of the federal poverty level – or about \$42,000 for a single mother with two children.⁵

8. Intel must work with us to advocate for more state investments in the child care sector.

⁵ <https://www.policymattersohio.org/files/research/childcarerptfix.pdf>

- **Help us deliver universal pre-school to Franklin and Licking counties.** This funding will deliver much needed educational support to working parents in the region ensuring continued parent choice.
- **Lend your voice to call on more investments into the state child care system.** Help us invest in the CCDBG program and to raise child care worker wages to \$20/hour and streamlining opportunities for growing family child care business in low-income neighborhoods across the state.

We encourage Intel to partner with us, The CEO Project and the Ohio Organizing Collaborative, to build child care plans that work for your future workforce in the region.

If the semiconductor industry works closely with child care and workforce advocates, we will create a powerful opportunity to catalyze existing programs and systems to innovate and grow Ohio's workforce and the child care sector.

Signed by the following Central Ohio providers and state advocates:

Katina Allen (A Love For Children Learning Center)

Kathy Goolsby (None Other Childcare)

Tarrezz Thompson (Linique Childcare)

Trina Averette (The Foundation for Creative Life)

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