

March 2, 2026

House Committee on Children and Human Services
1 Capitol Square
Columbus, OH 43215

Re: Testimony on: House Bill 647 “Regards publicly funded child care, the Child Care Cred Program” Before The Ohio Legislature - 136th General Assembly, House Committee on Children and Human Services

Chairwoman Andrea White and members of the Committee:

On behalf of the Early Care and Education Consortium (ECEC), thank you for the opportunity to provide testimony in opposition to House Bill 647. While we appreciate and agree with the committee’s intent to ensure integrity of Ohio’s publicly funded child care program, we have significant concerns regarding the unintended consequences on families and providers.

ECEC is a nationwide non-profit alliance of licensed, high-quality child care and preschool providers, education service providers, and state child care associations. Together, we operate over 7,500 programs in 47 states and the District of Columbia, serve over 1 million children, and employ nearly 185,000 educators and staff. In Ohio, ECEC providers operate 335 centers, with the capacity to serve nearly 50,300 children and employ over 8,000 educators and staff. In addition, the Ohio Association of Child Care Providers (OACCP) is a member of ECEC. Serving families from various communities and income levels, ECEC members proudly participate in the Publicly Funded Child Care program (PFCC), as well as off-base military child care, and a range of employer partnerships across Ohio.

Our programs represent a mix of subsidy, private-pay, Head Start, and employer-provided care and services that support families and children from diverse cultural and socio-economic backgrounds. Our mission is to advance policies that strengthen the child care system and expand access to high-quality early care and education programs for all families, particularly those from underserved communities. We advocate for strong federal and state policies that bring quality to scale, expand access to more children, support the early care and education workforce, and lower costs for families.

Ohio already instills strict safeguards to prevent fraud in publicly funded child-care programs. Providers whose agreements are terminated for integrity violations or license revocations are barred from re-entering the program for five years. Providers must retain records under litigation holds, participate in discovery, and furnish all required documentation for audits or risk full payment recoupment. They must also use the state’s automated attendance system, promptly disclose any adverse licensing or accreditation actions, and affirm that neither they nor their principals are debarred or suspended from federal programs. Additionally, the Department of Children and Youth (DCY) already has the ability to disqualify providers found to be engaged in fraud.

Despite existing anti-fraud measures, as outlined above, HB 647 broadens the circumstances under which the DCY may immediately suspend or terminate a child care license and withhold all payment—effectively closing a program—based on having “reason to suspect” any violation of the child care rules, including misuse of public funds. Further, the bill lacks a definition of “misuse of funds.” Under the current bill, a common billing error due to a large administrative system risks shutting down a program, impacting the families who rely on this care every day and further contribution to child care shortages. Under current practices, these errors are corrected through payment adjustments, not punitive “one size fits all” action. Additionally, as written, the bill would apply the same emergency standard used when a child dies in care, an extreme and inappropriate equivalence to common areas that are easily remedied.

We respectfully urge the Committee and the General Assembly to reject HB 647 in its current form. We firmly agree that safeguarding the integrity of Ohio's publicly funded child care program is of the utmost importance, and we support additional measures to further bolster existing and add new anti-fraud measures. Ohio's child care system depends on stability, clarity and fairness. HB 647, as currently drafted, introduces significant risks without demonstrating a clear need for expanded enforcement authority. Any legislative changes must be narrowly tailored, evidence based and designed to protect both families and providers. ECEC is ready to work and collaborate with the Committee to amend the bill to ensure the intent of rooting out fraud is met, instead of punishing providers for any violations.

On behalf of ECEC, thank you for your work to maintain the integrity of the publicly funded child care program, and we look forward to working together to ensure the program continue to serve the needs Ohio's children, families and child care providers.

Thank you for the opportunity to provide comment on HB 647 and for your ongoing partnership.

Respectfully submitted,

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