

March 3, 2026

The Honorable Andrea White
Chair, Children and Human Services Committee
Ohio House of Representatives
Ohio Statehouse
1 Capitol Square
Columbus, OH 43215

Re: House Bill 647 – Child Care Fraud and Licensing Enforcement - KinderCare Opposed if Not Amended

Dear Chair White and Members of the Children and Human Services Committee,

On behalf of KinderCare, thank you for the opportunity to submit written testimony regarding House Bill 647. While we appreciate the intent of strengthening program integrity within Ohio's child care system, we must respectfully oppose HB 647 as currently drafted due to significant concerns regarding due process, lack of statutory clarity, and the risk of serious unintended consequences for families and providers.

In Ohio, KinderCare proudly serves over 10,000 children and employs nearly 2,100 educators at our 93 high quality early learning centers and 44 before/after school Champions programs, of which 87% are nationally accredited demonstrating the strongest commitment to quality. We are committed to serving all children regardless of background and financial circumstances, and approximately 45% of the children we serve access KinderCare through the Publicly Funded Child Care (PFCC) or the Child Care Voucher Program (CCVP).

Our primary concern with HB 647 is the bill's expansion of the Department of Children and Youth's authority to immediately suspend a child care license without a prior hearing based solely on having "reason to suspect" misuse of public funds. The bill does not define what constitutes misuse of funds, nor does it distinguish between intentional fraud and routine administrative or billing reconciliations. In large, complex systems, reconciliation and true ups (both under and over-payments) are inevitable to adjust payments to reflect the child's attendance at the program. Under HB 647, a simple documentation mistake could result in an immediate shutdown of a program, disrupting care for hundreds of families, and jeopardizing parents' employment and financial stability. Notably, this standard mirrors the emergency authority used in cases involving serious physical harm or death, an extreme and inappropriate equivalence given the daily variance of child attendance and need for care.

Equally concerning is the absence of due process protections for the provider. HB 647 does not establish what evidence is required to justify a suspension, what constitutes "reason to suspect," how providers

may appeal an action, or what timelines exist for review, reinstatement, or resolution. Without these safeguards, providers face the risk of closure based on incomplete data, misinterpretation, or administrative error, with no meaningful recourse. As a result, families will experience interruptions to care, causing many working parents to miss work. This uncertainty undermines fairness, chills provider participation in publicly funded programs, and destabilizes an already fragile child care market.

HB 647 also makes dual authorization a temporary policy without addressing how families will be protected after this authorization expires. Dual authorizations are crucial in supporting nontraditional work hours for parents in the workforce. The bill does not clarify how transitions will be managed, how continuity of care will be maintained, and inevitability leading to eligibility gaps. Given ongoing workforce shortages and limited child care capacity across Ohio, introducing this level of uncertainty places unnecessary risk on working families who rely on stable care arrangements.

Providers must be good stewards of public dollars. However, abruptly ending care for families who legitimately qualify for assistance will be harmful to parents, providers, and Ohio's overall economy.

Any legislative changes must be narrowly tailored, evidence-based, and designed to strengthen not destabilize the system families rely on every day.

For these reasons, KinderCare respectfully urges the committee to oppose House Bill 647 unless substantial revisions are made to incorporate clear definitions, due process protections, and safeguards for families and providers.

Thank you for your leadership and continued commitment to Ohio's children, families, and early childhood education workforce.

Sincerely,



Austin Railey III
Government Relations Representative
KinderCare Learning Companies