

As Re-Referred by the House Rules and Reference Committee

136th General Assembly

Regular Session

2025-2026

H. B. No. 41

Representatives White, A., Roemer

**Cosponsors: Representatives Troy, Deeter, Williams, Odioso, Robb Blasdel,
Young, Plummer, Johnson, Ray, Salvo, Lett, Miller, M.**

A BILL

To establish certain child care grant programs, 1
including those related to child care capacity 2
and learning labs, and to make an appropriation. 3

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. All items in this act are hereby appropriated 4
as designated out of any moneys in the state treasury to the 5
credit of the designated fund. For all operating appropriations 6
made in this act, those in the first column are for fiscal year 7
2026 and those in the second column are for fiscal year 2027. 8
The operating appropriations made in this act are in addition to 9
any other operating appropriations made for these fiscal years. 10

Section 2. 11
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A KID DEPARTMENT OF CHILDREN AND YOUTH

B General Revenue Fund

C	GRF	830412	Child Care Grants	\$10,250,000	\$10,250,000
D	TOTAL GRF General Revenue Fund			\$10,250,000	\$10,250,000
E	TOTAL ALL BUDGET FUND GROUPS			\$10,250,000	\$10,250,000

CHILD CARE GRANTS 13

(A) Of the foregoing appropriation item 830412, Child Care Grants, \$10,000,000 in each fiscal year shall be used by the Department of Children and Youth to administer, in consultation with the Department of Development and JobsOhio, a grant program to assist employers in retrofitting or equipping their onsite or near-site child care facilities, in building new child care facilities, or in partnering with child care providers, government entities, nonprofit organizations, or others on initiatives to create child care capacity within their communities to support the workforce. The program's aim shall be to increase the availability of child care in communities across Ohio and to aid in business growth and recruitment in this state.

Under the program, any entity may apply for a grant, but, in awarding grants, the Department of Children and Youth shall give priority to the following applicant types: employers seeking child care for their employees' children; government entities, nonprofit organizations, and other community partnerships seeking to expand child care capacity for the workforce in the communities they serve; or any combination of these applicant types. To be eligible for an award, an applicant must demonstrate that the applicant's facility or applicant's partner provides, or intends to provide, publicly funded child care and participates, or intends to participate, in the state's

tiered quality rating and improvement system. An applicant also 38
shall submit a plan for ongoing sustainability to support its 39
capacity expanding initiative and shall identify the needs and 40
gaps its initiative would address. 41

Not more than \$750,000 shall be awarded to each grant 42
recipient, and the recipient shall use the award only for the 43
purposes described in this division. 44

In addition, as part of the program and in an effort to 45
aid business growth and recruitment in this state, the 46
Department of Development, in coordination with JobsOhio and the 47
Department of Children and Youth, shall create additional 48
incentives for new or existing businesses to expand child care 49
capacity or child care support for the state's workforce. 50

(B) (1) Of the foregoing appropriation item 830412, Child 51
Care Grants, \$250,000 in each fiscal year shall be used by the 52
Department of Children and Youth to contract with an entity to 53
establish a cohort comprised of recipients of child care-related 54
grants awarded by the Department, create an Employer-Based Child 55
Care Co-Design Learning Lab, and develop tools and resources in 56
order to train and support future child care grant applicants 57
and other employers, government entities, or nonprofit 58
organizations interested in expanding child care capacity. 59

(2) The entity selected shall coordinate education and 60
knowledge-sharing among the grant recipients and cohorts, as 61
well as provide technical assistance to these entities. The 62
entity shall collaborate with grant recipients to collect and 63
measure data, outcomes, and best practices, all as prescribed by 64
the Department of Children and Youth. The entity shall prepare a 65
report compiling the foregoing data, outcomes, and best 66
practices and submit copies of it to the Department, Governor, 67

and members of the General Assembly. The Department shall assist 68
the entity in making the report available on the web site 69
maintained by the Department. 70

(3) The entity selected also shall establish an employer- 71
based child care co-design learning lab program. The program's 72
aim shall be twofold: to assist employers, including businesses, 73
government entities, and nonprofit organizations, in learning 74
how to form partnerships and best fund, including by utilizing 75
tax credits, grants such as those available under this section, 76
and employer contributions and other opportunities as necessary 77
to create onsite or near-site child care spots or facilities and 78
to identify other innovative strategies to expand child care 79
capacity in their communities. The program shall prioritize 80
rural and underserved areas of this state. Each design lab may 81
be regionally based and provide four to six months of intensive 82
learning to employer participants. Participants shall learn 83
processes and develop knowledge and competencies to plan, 84
organize, and find operations partners, to create long-term 85
financial modeling and business plans, to partner with community 86
stakeholders and organizations, and to apply for grants, 87
including those awarded by the Department. The program shall 88
emphasize the importance of operations partners, shall provide 89
participants with sample requests for proposals, and shall 90
encourage engagement with community and regional workforce 91
leadership. 92

(4) Additionally, the entity selected shall design an 93
employer tool kit and other resources as determined by the 94
Department of Children and Youth, in consultation with JobsOhio 95
and the Department of Development, that may be used to educate 96
employers on issues impacting, and solutions improving, employee 97
access to child care. The tool kit shall include, but not be 98

limited to, all of the following topics:	99
(a) Strategies to expand child care capacity;	100
(b) Any information, competencies, best practices, and	101
other resources identified in the co-design lab program	102
described in this division;	103
(c) Procedures for applying for available child care-	104
related federal, state, and local tax credits and creating child	105
care-related flexible spending accounts or other employee	106
benefit supports;	107
(d) Any other resources identified by the Department of	108
Children and Youth, in consultation with JobsOhio and the	109
Department of Development.	110
The Department of Children and Youth shall make the tool	111
kit available on the web site it maintains and shall otherwise	112
distribute copies of the tool kit to businesses, government	113
entities, nonprofit organizations, and other entities as	114
determined by the Department.	115
Section 3. Within the limits set forth in this act, the	116
Director of Budget and Management shall establish accounts	117
indicating the source and amount of funds for each appropriation	118
made in this act, and shall determine the manner in which	119
appropriation accounts shall be maintained. Expenditures from	120
operating appropriations contained in this act shall be	121
accounted for as though made in, and are subject to all	122
applicable provisions of, the main operating appropriations act	123
of the 136th General Assembly.	124