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H. B. No. 768

Representatives White, E., Bryant Bailey

**Cosponsors: Representatives Jarrells, McNally, Lett, Piccolantonio, Rader,
Brennan, Abdullahi, Russo, Rogers, Brownlee, Miller, J., Sims, Sweeney, Brewer,
Synenberg, Upchurch, Somani, Tims**

To amend sections 5104.30 and 5104.34 and to enact	1
section 5104.342 of the Revised Code to provide	2
publicly funded child care benefits to certain	3
child care staff members and to make an	4
appropriation.	5

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

Section 1. That sections 5104.30 and 5104.34 be amended	6
and section 5104.342 of the Revised Code be enacted to read as	7
follows:	8

Sec. 5104.30. (A) The department of children and youth is	9
hereby designated as the state agency responsible for	10
administration and coordination of federal and state funding for	11
publicly funded child care in this state. Publicly funded child	12
care shall be provided to the following:	13

(1) Recipients of transitional child care as provided	14
under section 5104.34 of the Revised Code;	15

(2) Participants in the Ohio works first program	16
established under Chapter 5107. of the Revised Code;	17

(3) Individuals who would be participating in the Ohio works first program if not for a sanction under section 5107.16 of the Revised Code and who continue to participate in a work activity, developmental activity, or alternative work activity pursuant to an assignment under section 5107.42 of the Revised Code;

(4) A family receiving publicly funded child care on October 1, 1997, until the family's income reaches one hundred fifty per cent of the federal poverty line;

(5) Subject to available funds, other individuals determined eligible in accordance with rules adopted under section 5104.38 of the Revised Code;

(6) Subject to available funds, child care staff members as provided under section 5104.342 of the Revised Code.

The department shall apply to the United States department of health and human services for authority to operate a coordinated program for publicly funded child care, if the director of children and youth determines that the application is necessary. For purposes of this section, the department of children and youth may enter into agreements with other state agencies that are involved in regulation or funding of child care. The department shall consider the special needs of migrant workers when it administers and coordinates publicly funded child care and shall develop appropriate procedures for accommodating the needs of migrant workers for publicly funded child care.

(B) The department of children and youth shall distribute state and federal funds for publicly funded child care, including appropriations of state funds for publicly funded

child care and appropriations of federal funds available under 47
the child care block grant act, Title IV-A, and Title XX. The 48
department may use any state funds appropriated for publicly 49
funded child care as the state share required to match any 50
federal funds appropriated for publicly funded child care. 51

(C) In the use of federal funds available under the child 52
care block grant act, all of the following apply: 53

(1) The department may use the federal funds to hire staff 54
to prepare any rules required under this chapter and to 55
administer and coordinate federal and state funding for publicly 56
funded child care. 57

(2) Not more than five per cent of the aggregate amount of 58
the federal funds received for a fiscal year may be expended for 59
administrative costs. 60

(3) The department shall allocate and use at least four 61
per cent of the federal funds for the following: 62

(a) Activities designed to provide comprehensive consumer 63
education to parents and the public; 64

(b) Activities that increase parental choice; 65

(c) Activities, including child care resource and referral 66
services, designed to improve the quality, and increase the 67
supply, of child care; 68

(d) Establishing the step up to quality program pursuant 69
to section 5104.29 of the Revised Code. 70

(4) The department shall ensure that the federal funds 71
will be used only to supplement, and will not be used to 72
supplant, federal, state, and local funds available on the 73
effective date of the child care block grant act for publicly 74

funded child care and related programs. If authorized by rules 75
adopted by the department pursuant to section 5104.42 of the 76
Revised Code, county departments of job and family services may 77
purchase child care from funds obtained through any other means. 78

(D) The department shall encourage the development of 79
suitable child care throughout the state, especially in areas 80
with high concentrations of recipients of public assistance and 81
families with low incomes. The department shall encourage the 82
development of suitable child care designed to accommodate the 83
special needs of migrant workers. On request, the department, 84
through its employees or contracts with state or community child 85
care resource and referral service organizations, shall provide 86
consultation to groups and individuals interested in developing 87
child care. The department of children and youth may enter into 88
interagency agreements with the department of education and 89
workforce, the chancellor of higher education, the department of 90
development, and other state agencies and entities whenever the 91
cooperative efforts of the other state agencies and entities are 92
necessary for the department of children and youth to fulfill 93
its duties and responsibilities under this chapter. 94

The department shall develop and maintain a registry of 95
persons providing child care. The director shall adopt rules in 96
accordance with Chapter 119. of the Revised Code establishing 97
procedures and requirements for the registry's administration. 98

(E) (1) The director shall adopt rules in accordance with 99
Chapter 119. of the Revised Code establishing both of the 100
following: 101

(a) Payment rates for providers of publicly funded child 102
care not later than the first day of July in each odd-numbered 103
year; 104

(b) A procedure for paying providers of publicly funded child care. 105
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(2) In establishing payment rates under division (E) (1) (a) 107
of this section, the director shall do all of the following: 108

(a) Use the information obtained from the market rate survey developed and conducted in accordance with 45 C.F.R. 98.45; 109
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(b) Establish an enhanced payment rate for providers who enroll children whose caretaker parents work nontraditional hours; 112
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(c) With regard to the step up to quality program established pursuant to section 5104.29 of the Revised Code, establish enhanced payment rates for child care providers that participate in the program. 115
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(3) In establishing payment rates under division (E) (1) (a) 119
of this section, the director may establish different payment rates based on any of the following: 120
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(a) Geographic location of the provider; 122

(b) Type of care provided; 123

(c) Age of the child served; 124

(d) Special needs of the child served; 125

(e) Whether the expanded hours of service are provided; 126

(f) Whether weekend service is provided; 127

(g) Whether the provider has exceeded the minimum requirements of state statutes and rules governing child care; 128
129

(h) Any other factors the director considers appropriate. 130

Sec. 5104.34. (A) (1) Each county department of job and 131
family services shall implement procedures for making 132
determinations of eligibility for publicly funded child care. 133
Under those procedures, the eligibility determination for each 134
applicant shall be made no later than thirty calendar days from 135
the date the county department receives a completed application 136
for publicly funded child care. Each applicant shall be notified 137
promptly of the results of the eligibility determination. An 138
applicant aggrieved by a decision or delay in making an 139
eligibility determination may appeal the decision or delay to 140
the department of children and youth in accordance with section 141
5101.35 of the Revised Code. The due process rights of 142
applicants shall be protected. 143

To the extent permitted by federal law, the county 144
department may make all determinations of eligibility for 145
publicly funded child care, may contract with child care 146
providers or child care resource and referral service 147
organizations for the providers or resource and referral service 148
organizations to make all or any part of the determinations, and 149
may contract with child care providers or child care resource 150
and referral service organizations for the providers or resource 151
and referral service organizations to collect specified 152
information for use by the county department in making 153
determinations. If a county department contracts with a child 154
care provider or a child care resource and referral service 155
organization for eligibility determinations or for the 156
collection of information, the contract shall require the 157
provider or resource and referral service organization to make 158
each eligibility determination no later than thirty calendar 159
days from the date the provider or resource and referral 160
organization receives a completed application that is the basis 161

of the determination and to collect and transmit all necessary 162
information to the county department within a period of time 163
that enables the county department to make each eligibility 164
determination no later than thirty days after the filing of the 165
application that is the basis of the determination. 166

The county department may station employees of the 167
department in various locations throughout the county to collect 168
information relevant to applications for publicly funded child 169
care and to make eligibility determinations. The county 170
department, child care provider, and child care resource and 171
referral service organization shall make each determination of 172
eligibility for publicly funded child care no later than thirty 173
days after the filing of the application that is the basis of 174
the determination, shall make each determination in accordance 175
with any relevant rules adopted pursuant to section 5104.38 of 176
the Revised Code, and shall notify promptly each applicant for 177
publicly funded child care of the results of the determination 178
of the applicant's eligibility. 179

The director of children and youth shall adopt rules in 180
accordance with Chapter 119. of the Revised Code for monitoring 181
the eligibility determination process. In accordance with those 182
rules, the state department shall monitor eligibility 183
determinations made by county departments of job and family 184
services and shall direct any entity that is not in compliance 185
with this division or any rule adopted under this division to 186
implement corrective action specified by the department. 187

(2) (a) All eligibility determinations for publicly funded 188
child care shall be made in accordance with rules adopted 189
pursuant to division (A) of section 5104.38 of the Revised Code. 190
Except as otherwise provided in this section, all of the 191

following apply: 192

(i) Publicly funded child care may be provided only to 193
eligible infants, toddlers, preschool-age children, school-age 194
children under age thirteen, or children receiving special needs 195
child care. 196

(ii) For an applicant to be eligible for publicly funded 197
child care, the caretaker parent must be employed or 198
participating in a program of education or training for an 199
amount of time reasonably related to the time that the parent's 200
children are receiving publicly funded child care. This 201
restriction does not apply to families whose children are 202
eligible for protective child care. 203

(iii) The eligibility period for publicly funded child 204
care shall be at least twelve months. 205

(b) If a caretaker parent who has been determined eligible 206
to receive publicly funded child care no longer meets the 207
requirements of division (A) (2) (a) (ii) of this section, the 208
caretaker parent may continue to receive publicly funded child 209
care for a period of at least three but not more than four 210
months not to extend beyond the caretaker parent's eligibility 211
period. 212

(c) If a child turns thirteen, or if a child receiving 213
special needs child care turns eighteen, during the eligibility 214
period, the caretaker parent may continue to receive publicly 215
funded child care until the end of that eligibility period. 216

Subject to available funds, and except as provided in 217
section 5104.342 of the Revised Code, the department of children 218
and youth shall allow a family to receive publicly funded child 219
care unless the family's income exceeds the maximum income 220

eligibility limit. Initial and continued eligibility for 221
publicly funded child care is subject to available funds unless 222
the family is receiving child care pursuant to division (A) (1), 223
(2), (3), or (4) of section 5104.30 of the Revised Code. If the 224
department must limit eligibility due to lack of available 225
funds, it shall give first priority for publicly funded child 226
care to an assistance group whose income is not more than the 227
maximum income eligibility limit that received transitional 228
child care in the previous month but is no longer eligible 229
because the eligibility period has expired. Such an assistance 230
group shall continue to receive priority for publicly funded 231
child care until its income exceeds the maximum income 232
eligibility limit. 233

(3) An assistance group that ceases to participate in the 234
Ohio works first program established under Chapter 5107. of the 235
Revised Code is eligible for transitional child care at any time 236
during the immediately following twelve-month period that both 237
of the following apply: 238

(a) The assistance group requires child care due to 239
employment; 240

(b) The assistance group's income is not more than one 241
hundred fifty per cent of the federal poverty line. 242

An assistance group ineligible to participate in the Ohio 243
works first program pursuant to section 5101.83 or section 244
5107.16 of the Revised Code is not eligible for transitional 245
child care. 246

(B) To the extent permitted by federal law, the department 247
of children and youth may require a caretaker parent determined 248
to be eligible for publicly funded child care to pay a fee 249

according to the schedule of fees established in rules adopted 250
under section 5104.38 of the Revised Code. The department shall 251
make protective child care services and homeless child care 252
services available to children without regard to the income or 253
assets of the caretaker parent of the child. 254

(C) A caretaker parent receiving publicly funded child 255
care shall report to the entity that determined eligibility any 256
changes in status with respect to employment or participation in 257
a program of education or training not later than ten calendar 258
days after the change occurs. 259

(D) If the department of children and youth determines 260
that available resources are not sufficient to provide publicly 261
funded child care to all eligible families who request it, the 262
department may establish a waiting list. The department may 263
establish separate waiting lists within the waiting list based 264
on income. 265

(E) A caretaker parent shall not receive publicly funded 266
child care from more than one child care provider per child 267
during a week, unless a county department grants the family an 268
exemption for one of the following reasons: 269

(1) The child needs additional care during non-traditional 270
hours; 271

(2) The child needs to change providers in the middle of 272
the week and the hours of care provided by the providers do not 273
overlap; 274

(3) The child's provider is closed on scheduled school 275
days off or on calamity days. 276

(F) As used in this section, "maximum income eligibility 277
limit" means the amount of income specified in rules adopted 278

under division (A) of section 5104.38 of the Revised Code. 279

Sec. 5104.342. (A) As used in this section and section 280
5104.30 of the Revised Code, "child care staff member" does not 281
include an employee of an approved child day camp or an 282
administrator, authorized representative, or owner. 283

(B) When determining eligibility for publicly funded child 284
care as described in section 5104.34 of the Revised Code, a 285
county department of job and family services shall exclude all 286
of a family's income from that determination if an applicant for 287
publicly funded child care demonstrates to the county department 288
that the child's caretaker parent is a child care staff member 289
who works as such for a minimum of twenty hours per week. The 290
applicant shall otherwise meet the requirements of division (A) 291
(2) (a) of section 5104.34 of the Revised Code. 292

Section 2. That existing sections 5104.30 and 5104.34 of 293
the Revised Code are hereby repealed. 294

Section 3. On the effective date of this section, or as 295
soon as possible thereafter, the Director of Children and Youth 296
shall certify to the Director of Budget and Management the 297
amount necessary to provide publicly funded child care benefits 298
to child care staff members in accordance with section 5104.342 299
of the Revised Code during fiscal year 2026 and fiscal year 300
2027. The amount certified is hereby appropriated. 301

Within the limits set forth in this act, the Director of 302
Budget and Management shall establish accounts indicating the 303
source and amount of funds for each appropriation made in this 304
act, and shall determine the manner in which appropriation 305
accounts shall be maintained. Expenditures from operating 306
appropriations contained in this act shall be accounted for as 307

though made in, and are subject to all applicable provisions of,	308
H.B. 96 of the 136th General Assembly.	309