Policy Matters Ohio

TESTIMONY

March 3, 2026
Heather Smith

Testimony to the Children and Human Services Committee on H.B. 647

Good morning Chair White, Vice Chair Salvo, Ranking Member Lett, and members of the committee. My name is Heather Smith, and I am a researcher with Policy Matters Ohio, a non-partisan, nonprofit think tank. Thank you for the opportunity to testify. I am here to testify on House Bill 647, which would allow the Attorney General to investigate child care providers on the suspicion of fraud, require automated data analytics, eliminate the possibility for DCY to pay providers based on enrollment, and remove an exemption for parents working nontraditional hours to use PFCC for multiple providers.

Ohio's child care oversight

Ohioans deserve accurate information about how child care oversight works in our state, where robust systems are already in place. These crucial accountability measures include regular unannounced inspections and strict licensing requirements, to protect both children and taxpayers. As Director Wente stated in her testimony on February 24th, Ohio's program integrity is thorough and effective.

HB 647 would expand the power of the Attorney General to intervene in child care operations on any assertion of malfeasance. The bill includes no threshold of validity or investigation of claims against child care programs. Due process and benchmarks for action should be included in the bill language. Otherwise, HB 647 could risk leaving Ohio families suddenly without child care and employers suddenly without workers, based on fabricated (or even openly prejudiced) claims.

This bill would also dramatically increase state surveillance of child care provider data, adding intrusive oversight that does little to improve safety and exposes sensitive information to unnecessary risk. Whether the state would contract with an AI or tech company to conduct "enhanced automated data analytics" is unclear. The bill also does not address what kind of costs the state will incur on an initial or ongoing basis for this intrusion. No guard rails are described for protecting the trove of data - including personal information about children, providers, and parents - or ensuring data analysis software is free from bias and inaccuracies.

In order to establish new data analytics, this bill proposes pulling funding from the newly created Child Care Cred program. Five million dollars allocated for families to access affordable child care would instead put the personal information of thousands of Ohioans at risk with no cybersecurity protocols.

Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.

Removing the non-traditional work hours exemption

HB 647 removes an exemption for parents and guardians who work non-traditional hours to use publicly funded child care across multiple providers. Reducing options for workers who work non-traditional hours will hurt families, working parents, and employers. Meeting these families' and children's needs is already difficult in a state with child care programs struggling to stay afloat and at risk of closure.[1]

Non-traditional work hours are considered to be any time outside of 7am to 6pm on weekdays or anytime on weekends.[2] An analysis of 2015-2019 American Community Survey data and 2016 Survey of Income and Program Participation data found nearly 200,000 children in Ohio under the age of 6 had parents working non-traditional hours each year.[3] That equates to 38% of Ohio children under the age of 6 with working parents; non-traditional working hours are even more prevalent among working low-income families.[4] In Ohio, 69% of children under 6 in a working, single parent family have a parent who works non-traditional hours. In other words, most kids in single parent households need child care during non-traditional hours.[5]

Specific industries and areas are more likely to need non-traditional care. Research published in the American Journal of Industrial Medicine finds that 15.8% of overnight workers are in the Midwest and 29.3% are in the Transportation, Warehousing, and Utilities industry.[6] There are approximately 46,000 transportation and utilities workers with children under the age of 5 in Ohio, using weighted averages from pooled 2021 to 2025 Current Population Survey data.[7] Using the research from the American Journal of Industrial Medicine, we can estimate that approximately 13,500 Ohio transportation and utilities workers with children under the age of 5 work overnight.

The ability to piecemeal child care is necessary for parents working non-traditional hours to go to work. By eliminating this exemption for families with non-traditional work hours, parents will be left with even fewer options to access high-quality, affordable child care. What should a parent do if they, for example, work Wednesday through Sunday and have their child in part time care at a child care center during the week and a family child care program offering weekend care on Saturday and Sunday? Restricting access to child care for a large swath of families already

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[1] "Crisis of Affordability: Central Ohio Child Care Provider Survey Report," *Action for Children.* December 2025.
[2] "Comparing Potential Demand for Nontraditional-Hour Child Care and Planned Policies Across States," Diane Schilder, Peter Willenborg, Cary Lou, Sarah Knowles, and Juanita Jaramillo. *Urban Institute.* July 2021.
[3] "State Snapshots of Potential Demand for and Policies to Support Nontraditional-Hour Child Care," *Urban Institute.* July 2021.
[4] Ibid. Low-income is defined as under 200% of the federal poverty level.
[5] "Comparing Potential Demand for Nontraditional-Hour Child Care and Planned Policies Across States," Diane Schilder, Peter Willenborg, Cary Lou, Sarah Knowles, and Juanita Jaramillo. *Urban Institute.* July 2021.
[6] I. S. Wong, T. Alterman, B. M. Hittle, R. Velazquez-Kronen, and I.-C. Chen, "Prevalence of Overnight Work (1a.m. to 5a.m.) Among United States Workers," *American Journal of Industrial Medicine* 68 (2025): 1088-1104, https://doi.org/10.1002/ajim.70027.
Institution at which the work was performed: National Institute for Occupational Safety and Health.
[7] Not including foster and kinship caregiving. Economic Policy Institute. 2026. Current Population Survey Extracts, Version 2026.2.12, https://microdata.epi.org.

struggling to find programs open during non-traditional hours will only hurt Ohio's economy.

Enrollment versus attendance-based payments

Across Ohio, parents who pay out-of-pocket for child care almost always pay ahead. For example, payment for the month is due on the first of the month, or payment for the week is due the Friday before. They also pay based on enrollment, not attendance: They pay the same amount every month, even if their child misses a day for a visit with grandpa & grandma or gets the flu and stays home for a week.
HB 647's proposed removal of language implementing enrollment-based payment by July 9, 2028 contradicts federal requirements. Those requirements may change, but until the new proposed federal rule rescinding elements of the 2024 CCDF Final Rule[8] is implemented, HB 647's provisions are premature. Funding was already allocated and promised to Ohioans during the state budget process. Changing to enrollment-based, prospective payments will help stabilize an industry in crisis. Ohio providers need more than the bare minimum required by the federal government.

Summary

House Bill 647 is seeking to address a problem that has not been substantiated, and if implemented would restrict access to affordable, high-quality child care for families who need it most. I urge you to not vote this bill out of committee. Thank you.

[8] See Policy Matters Ohio's January 16, 2026 *Public Comment on Proposed Federal Rule "Restoring Flexibility in the Child Care and Development Fund (CCDF)."*