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Office

H.B. 41
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 41's Bill Analysis](#)

Version: As Re-referred to House Finance

Primary Sponsors: Reps. A. White and Roemer

Local Impact Statement Procedure Required: No

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Highlights

- The bill appropriates \$10.25 million in both FY 2026 and FY 2027 in GRF line item 830412, Child Care Grants, under the Ohio Department of Children and Youth's (DCY) budget. These funds are to be used to award grants to expand child care capacity, to establish the Employer-Based Child Care Co-Design Learning Lab Program, and develop tools and resources for future child care grant applicants and others.

Detailed Analysis

Child Care Grants

The bill requires the Department of Children and Youth (DCY) 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. Under the program, any entity may apply for a grant. However, DCY must 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 facility or applicant's partner provides, or intends to provide, publicly funded child care (PFCC) and participates, or intends to participate, in the state's tiered quality rating and improvement system. The bill limits the award amount to \$750,000 per grant recipient. The bill provides \$10.0 million in both FY 2026 and FY 2027 in GRF line item 830412, Child Care Grants, for these purposes. It is possible that the bill could expand the number of child care facilities that are eligible to provide PFCC.

Additionally, as part of this program, the bill requires the Department of Development, in coordination with JobsOhio and DCY, to create additional incentives for new or existing businesses to expand child care capacity or child care support for the state's workforce. These entities could realize some administrative costs to establish incentives. Any other impacts will depend on the incentives established.

Other child care activities

The bill also requires DCY to contract with an entity to establish a cohort comprised of recipients of child care-related grants awarded by DCY, create an Employer-Based Child Care Co-Design Lab, and develop tools and resources in order to train and support future child care grant applicants and other employers, government entities, or nonprofit organizations interested in expanding child care capacity. The entity selected is required to coordinate education and knowledge sharing among the grant recipients and cohorts, as well as provide technical assistance to these entities. The bill outlines requirements for the selected entity, including collection of data from grant recipients, compiling data into a report, the establishment of the Employer-Based Child Care Co-Design Learning Lab Program, and the design of an employer tool kit. DCY is required to make the tool kit available on its website and distribute copies of the tool kit to businesses, government entities, nonprofit organizations, and other entities as determined by DCY. The bill provides \$250,000 in both FY 2026 and FY 2027 in GRF line item 830412, Child Care Grants, to be used to contract with the selected entity for these activities.