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Substitute Bill Comparative Synopsis

Sub. H.B. 647

136th General Assembly

House Children and Human Services

Elizabeth Molnar, Attorney

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. Organized by topic, it addresses only substantive differences between the two bill versions.

Previous Version (As Introduced)	Latest Version (I_136_3000)
Appropriations	
Reduces to \$5 million (from \$10 million) the fiscal year (FY) 2026 appropriation in GRF line item 830414, Child Care Cred Program, in the Department of Children and Youth's (DCY) budget (<i>Section 3</i>).	Instead, reduces the FY 2026 appropriation to \$600,000 and establishes an FY 2027 appropriation of \$4.4 million (<i>Section 3</i>).
Increases DCY's GRF line item 830420, Community Projects and Assistance, by \$2 million in FY 2026 and \$3 million in FY 2027 to support enhanced data analytics for use in conducting automated attendance reviews of publicly funded child care (PFCC) providers (<i>Section 3</i>).	Requires DCY to use up to \$2 million in FY 2026 and up to \$3 million in FY 2027, rather than the full amounts, for enhanced data analytics (<i>Section 3</i>).
Attorney General investigations and prosecutions	
Requires the Attorney General, under certain circumstances, to investigate any criminal or civil violation of the child care law generally or PFCC program specifically (<i>R.C. 109.44(A)</i>).	Transfers the duty to conduct investigations from the Attorney General to the Inspector General (<i>R.C. 5104.45(A)</i>).
Authorizes the Attorney General, when there is cause to prosecute a criminal violation or pursue	Instead authorizes the Inspector General to refer the investigation's evidence to the prosecuting

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<p>a civil remedy, to refer evidence from the investigation to the relevant prosecuting attorney (<i>R.C. 109.44(B)</i>).</p> <p>No provision.</p> <p>Authorizes the Attorney General to prosecute a criminal violation or pursue a civil remedy (<i>R.C. 109.44(B)</i>).</p>	<p>attorney when there is cause to suspect a criminal violation or to pursue a civil remedy (<i>R.C. 5104.45(B)</i>).</p> <p>Authorizes the Inspector General to refer the investigation's evidence to the Attorney General under the same standard as a referral to a prosecuting attorney (<i>R.C. 5104.45(B)</i>).</p> <p>Same.</p>
Summary suspensions	
<p>Allows DCY to suspend, without prior hearing, the license of a child care center, type A family child care home, or licensed type B family child care home if DCY has reason to suspect that it has engaged in the misuse of public dollars or acted with intent to commit fraud against the PFCC program (<i>R.C. 5104.042</i>).</p>	<p>No provision.</p>
PFCC provider contracts	
<p>Extends in the following ways DCY's existing authority to withhold any money due, or recover any money erroneously paid, to a PFCC provider if evidence demonstrates that the provider failed to comply with PFCC provider contract terms or the law governing child care:</p> <ul style="list-style-type: none"> ▪ By allowing DCY to also take the foregoing actions when it has reason to suspect such failures by the PFCC provider; ▪ By explicitly authorizing DCY to also suspend or terminate a provider's PFCC contract or withhold money due or recover erroneous payments if evidence demonstrates or DCY has reason to suspect that the provider engaged in the misuse of public funds or acted with intent to commit fraud against the PFCC program (<i>R.C. 5104.32(D)</i>). 	<p>Revises as follows the bill's extension of DCY authority regarding PFCC provider contracts:</p> <ul style="list-style-type: none"> ▪ Allows DCY to withhold or recover money or suspend or terminate a contract only if evidence demonstrates a failure to comply, the commission of fraud, or the misuse of public funds, rather than also if DCY has reason to suspect such actions; ▪ Clarifies that a PFCC provider's misuse of public funds must be knowing before DCY may take action against the provider; ▪ Authorizes DCY to withhold from a PFCC provider money due for a child in the provider's care if evidence demonstrates that, in the case of that child, the provider is knowingly engaging in the misuse of public funds or acting with intent to commit fraud against the PFCC program (<i>R.C. 5104.32(D) and (E)</i>).

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Fraud and misuse definitions	
No provision.	Defines <i>fraud against the publicly funded child care program</i> to mean an intentional act or omission to deceive for purposes of obtaining or retaining PFCC payments to which a PFCC provider is not entitled to obtain or retain and <i>misuse of public funds</i> to mean the improper billing, expenditure, receipt, or retention of PFCC payments in violation of statutory and administrative law governing child care (<i>R.C. 5104.01(U) and (J)</i>), with corresponding changes in <i>R.C. 5104.38 and 5104.53</i>).
Backdating attendance	
No provision.	Generally limits the backdating of a child’s attendance record to the time period that is within seven calendar days of the date that PFCC was provided (<i>R.C. 5104.32(C)(3)(a)</i>).
No provision.	Authorizes DCY to approve backdating a child’s attendance record within 30 days of the date that PFCC was provided or scheduled to be provided if the backdating relates to either of the following: <ul style="list-style-type: none"> ▪ A documented emergency or extenuating circumstance beyond the PFCC provider’s or caretaker parent’s control, including a system outage, natural disaster, or other serious event as DCY determines; ▪ The thirty-day period during which PFCC may be provided when a caretaker parent is seeking employment or participating in employment orientation or other activities in anticipation of education or training (<i>R.C. 5104.32(C)(3)(b)</i>).
Absent days	
No provision.	Specifies that all of the following apply to DCY’s calculation of PFCC payments based on a child’s attendance:

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	<ul style="list-style-type: none"> ▪ That DCY must recognize as an absent day any day that the child is authorized and scheduled to be in the care of a PFCC provider but does not receive the care as authorized, including when the child attended for part of the day but needed to leave; ▪ That DCY is prohibited from paying a PFCC provider for an absent day before the child’s actual, initial attendance; ▪ That DCY is prohibited from recognizing a full-time plus authorization; ▪ That DCY must allow a PFCC provider to use an eligible absent day when care cannot be provided due to an emergency or other circumstance beyond the provider’s control preventing the provider from operating on a day that the child was authorized and scheduled to receive care (<i>R.C. 5104.32(C)(1) and 5104.321</i>).
Dual authorizations	
<p>Modifies the law allowing a caretaker parent, on an exemption granted by a county department of job and family services, to receive PFCC from more than one provider per child during a week, including by clarifying that the exemption is temporary (<i>R.C. 5104.34(E)</i>).</p>	<p>Establishes an additional ground on which DCY or its designee, rather than a county department as under current law, may grant a family an exemption – that the child’s need cannot be met by one provider without impacting the family’s education, employment, or training (<i>R.C. 5104.34(E)</i>).</p>