



Ohio Revised Code

Section 5104.32 Provider contracts.

Effective: September 30, 2025

Legislation: House Bill 96

(A) All purchases of publicly funded child care shall be made under a contract entered into by a licensed child care center, licensed type A family child care home, licensed type B family child care home, certified in-home aide, approved child day camp, licensed preschool program, licensed school child program, or border state child care provider and the department of children and youth. All contracts for publicly funded child care shall be contingent upon the availability of state and federal funds. The department shall prescribe a standard form to be used for all contracts for the purchase of publicly funded child care, regardless of the source of public funds used to purchase the child care. To the extent permitted by federal law and notwithstanding any other provision of the Revised Code that regulates state contracts or contracts involving the expenditure of state or federal funds, all contracts for publicly funded child care shall be entered into in accordance with the provisions of this chapter and are exempt from any other provision of the Revised Code that regulates state contracts or contracts involving the expenditure of state or federal funds.

(B) Each contract for publicly funded child care shall specify at least the following:

(1) That the provider of publicly funded child care agrees to be paid at the rate established pursuant to section 5104.30 of the Revised Code;

(2) Whether the county department of job and family services, the provider, or a child care resource and referral service organization will make eligibility determinations, whether the provider or a child care resource and referral service organization will be required to collect information to be used by the county department to make eligibility determinations, and the time period within which the provider or child care resource and referral service organization is required to complete required eligibility determinations or to transmit to the county department any information collected for the purpose of making eligibility determinations;

(3) That the provider, other than a border state child care provider, shall continue to be licensed, approved, or certified pursuant to this chapter and shall comply with all standards and other



requirements in this chapter and in rules adopted pursuant to this chapter for maintaining the provider's license, approval, or certification;

(4) That, in the case of a border state child care provider, the provider shall continue to be licensed, certified, or otherwise approved by the state in which the provider is located and shall comply with all standards and other requirements established by that state for maintaining the provider's license, certificate, or other approval;

(5) Whether the provider will be paid by the department of children and youth or in some other manner as prescribed by rules adopted under section 5104.42 of the Revised Code;

(6) That the contract is subject to the availability of state and federal funds.

(C)(1) The department shall establish an automated child care system to track child attendance and enrollment and calculate payments for publicly funded child care. Not later than July 5, 2026, and thereafter, the department shall calculate payments for publicly funded child care based on a child's enrollment, as described in 45 C.F.R. 98.45(m), rather than on a child's attendance.

(2) Each eligible provider that provides publicly funded child care shall participate in the automated child care system. A provider participating in the system shall not do any of the following:

(a) Use or have possession of a personal identification number or password issued to a caretaker parent under the automated child care system;

(b) Falsify child attendance or enrollment records;

(c) Knowingly seek or accept payment for publicly funded child care for a child not enrolled with the provider or for which the provider was not eligible;

(d) Knowingly seek or accept payment for child care for a child who resides in the provider's own home.

(D) The department may withhold any money due under this chapter and may recover through any



appropriate method any money erroneously paid under this chapter if evidence demonstrates that a provider of publicly funded child care failed to comply with either of the following:

(1) The terms of the contract entered into under this section;

(2) This chapter or any rules adopted under it.

(E) If the department has evidence that a provider has employed an individual who is ineligible for employment under section 5104.013 of the Revised Code and the provider has not released the individual from employment upon notice that the individual is ineligible, the department may terminate immediately the contract entered into under this section to provide publicly funded child care.

(F) Any decision by the department concerning publicly funded child care, including the recovery of funds, overpayment determinations, and contract terminations is final and is not subject to appeal, hearing, or further review under Chapter 119. of the Revised Code.