

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 7725
OFFERED BY MR. RULLI OF OHIO**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Stop Child Care Fraud
3 Act of 2026”.

4 SEC. 2. PROGRAM INTEGRITY AND ACCOUNTABILITY.

5 Section 658E(c)(2) of the Child Care and Develop-
6 ment Block Grant Act of 1990 (42 U.S.C. 9858c(c)(2))
7 is amended by adding at the end the following:

8 “(W) PROGRAM INTEGRITY AND ACCOUNT-
9 ABILITY.—The plan shall include a description
10 of—

11 “(i) the State’s internal controls to
12 ensure program integrity and account-
13 ability,

14 “(ii) the processes in place—

15 “(I) to investigate and recover
16 fraudulent payments, and

1 “(II) to impose sanctions on cli-
2 ents or providers in response to fraud,
3 and

4 “(iii) the procedures in place to docu-
5 ment and verify eligibility.

6 Such description shall include how the State
7 utilizes data within and across other State and
8 local agencies that have oversight of child care
9 providers that serve children who receive assist-
10 ance under this subchapter.”.

