

Sen. Brian Lenney
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Idaho State Legislature

State Capitol
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COMMITTEES

Senate Commerce & Human
Resources

Senate Health & Welfare

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House Appropriations

House Resources & Conservation

House Ways & Means

December 31, 2025

Director Juliet Charron
Idaho Department of Health and Welfare
P.O. Box 83720
Boise, ID 83720-0036

RE: URGENT Request to Pause \$14 Million Childcare Grant Disbursements from S1206 (2025) Pending Fraud Prevention Measures

Dear Director Charron:

We respectfully request a temporary suspension of proposal solicitations, contract issuances, and fund disbursements associated with the approximately \$14 million childcare appropriation authorized under Senate Bill 1206 (FY 2026), pending implementation of enhanced program-integrity and fraud-prevention safeguards.

Recent federal enforcement actions in Minnesota, now under investigation as one of the largest welfare-fraud schemes in U.S. history, have revealed systemic vulnerabilities in childcare subsidy programs similar in structure to Idaho's. Those investigations identified inadequate enrollment verification, limited financial oversight, and insufficient inspection controls.

In light of these developments, and concerns raised regarding potential vulnerabilities within Idaho programs, proceeding with additional disbursements without strengthened safeguards would present unnecessary risk to taxpayers.

Idaho is well positioned to act proactively. Former IDHW Director Alex Adams currently serves as Assistant Secretary for the Administration of Children and Families at the U.S. Department of Health and Human Services, overseeing federal childcare programs and integrity efforts, while Wendy Horman, who previously served in the Idaho Legislature, will begin serving as Director of the Office of Child Care within ACF later in January. Their combined familiarity with Idaho's systems presents an opportunity for coordination with federal partners and technical experts.

Accordingly, we respectfully request that the Department:

1. Temporarily suspend all solicitations, contract issuances, and disbursements authorized under S.B. 1206 until enhanced fraud-prevention measures are implemented
2. Develop a comprehensive fraud-prevention and enforcement plan addressing enrollment verification, financial transparency, inspection protocols, and coordination with the Attorney General
3. Review prior childcare grant and subsidy disbursements, as appropriate, to identify potential fraud, misuse, or noncompliance and assess recovery options
4. Provide a briefing to the Legislature outlining safeguards, implementation timelines, findings, and any recommended statutory or regulatory changes.

We respectfully request a written response by **January 10, 2026**, addressing the status of disbursements and the Department's plan for implementing these safeguards.

We remain committed to working collaboratively with the Department to protect taxpayer funds while ensuring Idaho families continue to receive access to legitimate, high-quality childcare services.

Thank you for your prompt attention to this matter.

Sincerely,



Senator Brian Lenney
District 13, Nampa
Idaho State Senate



Representative Josh Tanner
District 14
Idaho House of Representatives

CC: Governor Brad Little

Senate Health and Welfare Committee Chair

House Health and Welfare Committee Chair

Idaho Attorney General Raúl Labrador

U.S. Department of Health and Human Services, Assistant Secretary Alex Adams

Idaho Office for Refugees, State Coordinator Tara Wolfson