

SENATE JUDICIARY COMMITTEE TESTIMONY OF DAVID HOCH

28 January 2026

Mr. Chairman and Members of the Committee,

My name is David Hoch. I was born in Minneapolis, and am a lifelong resident of the Twin Cities area.

My journey into uncovering fraud in Minnesota and, ultimately, throughout the entire United States of America, began when I started to notice very unusual changes in the Minneapolis area. Most notably, the enormous number of childcare facilities that had opened up. I would drive around the Twin Cities, and it seemed these childcare facilities were literally on every block; some blocks had two or three childcare facilities – on the same block.

Minnesota sees a fair amount of snow in the winter, and I began to notice there were never any footprints outside many of these childcares; when there were any footprints, they were ALWAYS adult footprints.

I began to check the MN Secretary of State's website, to find out just who owned all these childcares. Guess what? EVERY one of them was Somali-owned. What's even stranger is that every one of these facilities was located in a commercial or industrial building. No play areas, bad neighborhoods – and several of the childcare facilities had signage which stated they were open either 7:00 a.m. – 10:00 p.m., 2:00 p.m.- 10:00 p.m. (i.e. Quality Learning Center), or 'Open 24 hrs.'. Who the heck brings their kid to stay overnight at a childcare facility, in a rough neighborhood? None of it made any sense. The 'Learning' mis-spelling is what became, for me, the last straw. That's the spark that ignited my full-on investigation.

MN has two different Childcare Licenses available – one covers 6:00 a.m. – 6:00 p.m., the other covers 6:00 p.m. – 6:00 a.m. So for a childcare to be open 24 hrs. a day, or even 2:00 p.m. – 6:00 p.m., BOTH licenses would be needed. How many of these facilities have TWO licenses? I found NONE of them had two licenses. Zero.

Minnesota childcare supervision requirements include the following: Infant Care (0-17 months of age) requires 1 adult for every 4 children (max. 8 in group); Toddlers (18-23 months of age) requires 1 adult for every 5 children (max. 10 in group); Two-year-olds: 1 adult for every 7 children (max. 14 in group). So if a childcare facility was billing the State of Minnesota for 99 children, that childcare would need to have AT LEAST 8 employees. (99 divided by 14 = 7.07 adults). These cannot be 1099 employees, so that means tax records for that facility would need to show at least 8 W-2s, and 8 I-9s. Any bets on what the Feds will find? You already know the answer.

One issue that is often brought up is that we are unfairly targeting the Somali community. This is a fair point to be made. As one Somali gentleman exclaimed in our second video, “We’re not the only community that does fraud”.

Fraud certainly exists in every community; it was the sheer volume - and blatant nature - of the Somali fraud that demanded my attention. When ONE facility (MAKO Childcare) has ANOTHER Childcare (MINI Childcare) registered at the SAME address, it kind of stands out. Especially when I have NEVER seen a single child at ANY of these childcare facilities, and again – NO child footprints in the snow. This is what I mean by being blatant. Misspelled signage, posted hours that require two licenses, no child footprints in the snow. Not even once.

So how did we arrive at this point? We got here because of politicians – almost exclusively Democrats. A couple of names come immediately to mind: Jodi Harpstead, the former Commissioner of The Minnesota Department of Human Services, and Shireen Ghandi – the current Commissioner of the Minnesota Department of Human Services. Harpstead put this whole fraud on steroids. She was steering the ship from 2019-2025 - during the COVID-19 pandemic; this is when this whole fraud network exploded into what we see nationally today. Now we hear that the Minnesota Department of Human Services is forging documents and back-dating paperwork – all in an effort to cover up their complicity in this fraud. This is just more criminal behavior from the gang at MN DHS.

Minneapolis was the incubator for this nationwide Somali fraud network. The programs were tested out here, really beginning back as far as 1988. The Democrats saw this as a way to bring people to Minnesota – people who would all go on welfare, and could then be placed into the fraud scheme. The Democrats saw this Somali Community as a guaranteed voting block. Even though there are warring factions within the Somali community itself, when facing an external threat, they band together 100%.

So why is this fraud a bad thing? It is because this fraud steals money from the blind, kids with cancer, the disabled, the homeless, the elderly, veterans, honest, hard-working people – it steals from **EVERYBODY**.

The paperwork (the childcare spreadsheet and the list of Somali-owned NEMT companies) I provided this committee represent only *some* of the fraud in Minnesota; there are also DEEDS Grants, County programs, City grants. NGOs, Non-Profits – the list is seemingly endless.

MN Governor Tim Walz has admitted to knowing about this Somali fraud 'early in his first term' – so let's say 2020. At that moment that Governor Walz became aware of this fraud, he was obligated to IMMEDIATELY report this fraud to the Office of the Legislative Auditor for Minnesota. The Governor's Office itself is subject to Audit Review by the MN OLA, so Governor Walz should have reported this fraud to the OLA. Governor Walz did **not** do this; the Governor is on record as saying he 'notified the FBI' regarding the fraud. That is not what MN Statute 3.971, subd. 9 requires. After being notified of fraud or suspected fraud within a MN Agency or Department, the MN OLA then determines the appropriate Law Enforcement Agency(ies) to bring into the investigation; the Governor cannot, by law, make that determination. I filed a formal complaint with the MN Office of the Legislative Auditor and against Governor Walz, for violating MN. Statute 3.971, subd. 9.

So how do we fix this whole thing? Firstly, in Minnesota, the people who facilitated and encouraged this fraud – namely, Governor Tim Walz and MN DHS Shireen Ghandi – must resign. Then, the Federal Govt. needs to make it clear that anyone who issues a payment of any kind to a fraudulent business or entity, where Federal dollars are involved, is open to Federal prosecution. If someone is not sure if a business or entity is a legitimate one, do **NOT** issue payment. A simple Google Streetview search will usually provide you a photo of what is at an address. When you enter an address for an NEMT company, and the Google photo shows a liquor store at that address, stop what you are doing and investigate. The shocking and unconscionable lack of oversight by the State of Minnesota is **absolutely intentional** – and inexcusable.

Of course, the elephant in the room is this: If any of the information Nick Shirley and I provided or claimed about any of these fraudulent childcare facilities or fraudulent NEMT companies is false or inaccurate, why have I not been sued for defamation or libel? Again, you already know the answer.

In summation: Americans are tired of politicians beating their chests and shouting about how terrible all of this is. The American people want to see those involved arrested, handcuffed and prosecuted. A clear message must be sent to fraudsters that they are wading into the deep end of the pool – and there is no lifeguard on duty. Only then can faith start to be restored in our justice system – and our politicians.

Thank you.

I am happy to answer any questions you may have.

