

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**HOUSE BILL 707**

Short Title: Amend Star-Rated Licensure/Child Care Fac.-AB (Public)

Sponsors: Representatives Alexander, McLawhorn (Primary Sponsors);  
Farmer-Butterfield, Glazier, Insko, and Luebke.

Referred to: Children, Youth and Families.

March 17, 2005

A BILL TO BE ENTITLED  
AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN  
SERVICES, DIVISION OF CHILD DEVELOPMENT, TO STRENGTHEN THE  
LAWS REGULATING STAR-RATED LICENSURE FOR CHILD CARE  
FACILITIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 110-90 reads as rewritten:

**"§ 110-90. Powers and duties of Secretary of Health and Human Services.**

The Secretary shall have the following powers and duties under the policies and rules of the Commission:

- (1) To administer the licensing program for child care facilities.
- (1a) To establish a fee for the licensing of child care centers. The fee does not apply to a religious-sponsored child care center operated pursuant to a letter of compliance. The amount of the fee may not exceed the amount listed in this subdivision.

<u>Capacity of Center</u>	<u>Maximum Fee</u>
12 or fewer children	\$ 35.00
13-50 children	\$125.00
51-100 children	\$250.00
101 or more children	\$400.00

- (2) To obtain and coordinate the necessary services from other State departments and units of local government which are necessary to implement the provisions of this Article.
- (3) To employ the administrative personnel and staff as may be necessary to implement this Article where required services, inspections or reports are not available from existing State agencies and units of local government.

- 1 (4) To issue a rated license to any child care facility which meets the  
2 standards established by this Article. The rating shall be based on the  
3 following:
- 4 a. Before January 1, 2008, for any child care facility currently  
5 holding a license of two to five stars, the rating shall be based  
6 on program standards, education levels of staff, and compliance  
7 history of the child care facility-facility. By January 1, 2008, the  
8 rating shall be based on program standards and education levels  
9 of staff.
- 10 b. Effective January 1, 2006, for any new license issued to a child  
11 care facility with a rating of two to five stars, the rating shall be  
12 based on program standards and education levels of staff.
- 13 c. By January 1, 2008, for any child care facility to maintain a  
14 license or Notice of Compliance, the child care facility shall  
15 have a compliance history of at least seventy-five percent  
16 (75%), as assessed by the Department. When a child care  
17 facility fails to maintain a compliance history of at least  
18 seventy-five percent (75%) for the past 18 months or during the  
19 length of time the facility has operated, whichever is less, as  
20 assessed by the Department, the Department may issue a  
21 provisional license or Notice of Compliance.
- 22 d. Effective January 1, 2006, for any new license or Notice of  
23 Compliance issued to a child care facility, the facility shall  
24 maintain a compliance history of at least seventy-five percent  
25 (75%), as assessed by the Department. When a child care  
26 facility fails to maintain a compliance history of at least  
27 seventy-five percent (75%) for the past 18 months or during the  
28 length of time the facility has operated, whichever is less, as  
29 assessed by the Department, the Department may issue a  
30 provisional license or Notice of Compliance.
- 31 e. The Department shall provide additional opportunities for child  
32 care providers to earn points for program standards and  
33 education levels of staff.
- 34 (5) To revoke the license of any child care facility that ceases to meet the  
35 standards established by this Article and rules on these standards  
36 adopted by the Commission, or that demonstrates a pattern of  
37 noncompliance with this Article or the rules, or to deny a license to  
38 any applicant that fails to meet the standards or the rules. These  
39 revocations and denials shall be done in accordance with the  
40 procedures set out in G.S. 150B and this Article and rules adopted by  
41 the Commission.
- 42 (6) To prosecute or defend on behalf of the State, through the office of the  
43 Attorney General, any legal actions arising out of the administration or  
44 enforcement of this Article.

- 1           (7) To promote and coordinate educational programs and materials for  
2 operators of child care facilities which are designed to improve the  
3 quality of child care available in the State, using the resources of other  
4 State and local agencies and educational institutions where  
5 appropriate.
- 6           (8) Repealed by Session Laws 1997-506, s. 5.
- 7           (9) To levy a civil penalty pursuant to G.S. 110-103.1, or an  
8 administrative penalty pursuant to G.S. 110-102.2, or to order  
9 summary suspension of a license. These actions shall be done in  
10 accordance with the procedures set out in G.S. 150B and this Article  
11 and rules adopted by the Commission.
- 12          (10) To issue final agency decisions in all G.S. 150B contested cases  
13 proceedings filed as a result of actions taken under this Article  
14 including, but not limited to the denial, revocation, or suspension of a  
15 license or the levying of a civil or administrative penalty.
- 16          (11) To issue a license to any child care arrangement that does not meet the  
17 definition of child care facility in G.S. 110-86 whenever the operator  
18 of the arrangement chooses to comply with the requirements of this  
19 Article and the rules adopted by the Commission and voluntarily  
20 applies for a child care facility license. The Commission shall adopt  
21 rules for the issuance or removal of the licenses."

22       **SECTION 2.** This act becomes effective January 1, 2006.