



HOUSE BILL No. 6098

November 9, 2000, Introduced by Rep. LaForge and referred to the Committee on Family and Children Services.

A bill to provide for the protection of children through the licensing and regulation of child care organizations; to provide for the establishment of standards of care for child care organizations; to prescribe powers and duties of certain departments of this state and adoption facilitators; to provide penalties; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "child care improvement act".

3 Sec. 2. As used in this act:

4 (a) "Child care" means the care, protection, and supervision
5 of a child, for a period of less than 24 hours a day on a regular
6 basis, that supplements parental care, enrichment, and health
7 supervision for the child, in accordance with his or her

1 individual needs, and for which a payment, fee, or grant is made
2 for care.

3 (b) "Child care program assessment tool" means an assessment
4 instrument designated or developed by the department to determine
5 quality child care and other child development services to chil-
6 dren under the provisions of part D of title IV of the social
7 security act, chapter 531, 49 Stat. 620, 42 U.S.C. 651 to 655,
8 656 to 660, and 663 to 669b, and the child care and development
9 block grant act of 1990.

10 (c) "Child care facility" includes any child care center or
11 child care arrangement that provides child care for more than 5
12 children unrelated to the operator and that receives a payment,
13 fee, or grant for any of the children receiving care, wherever
14 operated, and whether or not operated for profit. Child care
15 facility does not include any of the following:

16 (i) Summer camps having children in full-time residence.

17 (ii) Summer day camps.

18 (iii) Bible schools normally conducted during vacation
19 periods.

20 (iv) Operators of transient establishments, as defined in
21 the natural resources and environmental protection act, 1994 PA
22 451, MCL 324.101 to 324.90106, that provide child care services
23 solely for the guests of their establishment or resort, provided
24 that all child care personnel of the establishment are screened
25 according to the level 2 screening requirements of the rules
26 promulgated by the director for child care personnel employment
27 screening.

1 (d) "Child care personnel" means all owners, operators,
2 employees, and volunteers working in a child care facility. The
3 term does not include a person who works in a child care facility
4 after hours when children are not present or parents of children
5 in head start. For purposes of screening, the child care person-
6 nel includes any member, over the age of 12 years, of a child
7 care facility operator's family, or person, over the age of 12
8 years, residing with a child care facility operator if the child
9 care facility is located in or adjacent to the home of the opera-
10 tor or if the family member of, or person residing with, the
11 child care facility operator has any direct contact with the
12 children in the facility during the hours of operation. Members
13 of the operator's family or persons residing with the operator
14 who are between the ages of 12 years and 18 years are not
15 required to be fingerprinted but shall be screened for delin-
16 quency records. For purposes of screening, the child care per-
17 sonnel also includes a person who works in child care program
18 that provides care for children 15 hours or more each week in
19 public or nonpublic schools, summer day camps, family day care
20 homes, or those programs otherwise exempted under the rules
21 promulgated by the director for child care personnel employment
22 screening. The child care personnel do not include public or
23 nonpublic school personnel who are providing care during regular
24 school hours, or after hours for activities related to a school's
25 program for grades kindergarten through 12 as required under the
26 revised school code, 1976 PA 451, MCL 380.1 to 380.1852. For the
27 purposes of screening and training, a volunteer who assists on an

1 intermittent basis for less than 40 hours per month is not
2 included in the term "child care personnel" if the volunteer is
3 under direct and constant supervision by a person who meets the
4 personnel requirements of section 5(4)(a). Students who observe
5 and participate in a child care facility as a part of required
6 coursework are not considered child care personnel, if observing
7 and participating on an intermittent basis and the students are
8 under direct and constant supervision of child care personnel.

9 (e) "Department" means the department of consumer and indus-
10 try services.

11 (f) "Developmental assessment test" means a standardized
12 assessment test designed to identify normal child development or
13 developmental delays.

14 (g) "Developmental milestones" means behavior that a child
15 should be exhibiting by a certain age in the cognitive, physical
16 or psychomotor, and social domains.

17 (h) "Developmental observation checklist" means a behavioral
18 observation instrument used to identify developmental
19 milestones.

20 (i) "Diagnostic assessment test" means a test designed to
21 identify a child with specific special needs, determine the
22 nature of the problem, suggest the cause of the problem, and pro-
23 pose a remediation strategy.

24 (j) "Drop-in child care" means child care provided occasion-
25 ally in a child care facility in a shopping mall or business
26 establishment where a child is in care for no more than a 4-hour
27 period and the parent remains on the premises of the shopping

1 mall or business establishment at all times. Drop-in child care
2 arrangements shall meet all requirements for a child care facil-
3 ity unless specifically exempted.

4 (k) "Evening child care" means child care provided during
5 the evening hours and may encompass the hours of 6 p.m. to 7
6 a.m. to accommodate parents who work evenings and late-night
7 shifts.

8 (l) "Family day care home" means an occupied residence in
9 which child care is regularly provided for children from at least
10 2 unrelated families and that receives a payment, fee, or grant
11 for any of the children receiving care, whether or not operated
12 for profit. A family day care home is allowed to provide care
13 for 1 of the following groups of children, that includes children
14 under 13 years of age who are related to the caregiver.

15 (i) A maximum of 4 children from birth to 12 months of age.

16 (ii) A maximum of 3 children from birth to 12 months of age,
17 and other children, for a maximum total of 6 children.

18 (iii) A maximum of 6 preschool children if all are older
19 than 12 months of age.

20 (iv) A maximum of 10 children if no more than 5 are pre-
21 school age and, of those 5, no more than 2 are under 12 months of
22 age.

23 Sec. 3. As used in this act:

24 (a) "Large family child care home" means an occupied resi-
25 dence in which child care is regularly provided for children from
26 at least 2 unrelated families, that receives a payment, fee, or
27 grant for any of the children receiving care, whether or not

1 operated for profit, and that has at least 2 full-time child care
2 personnel on the premises during the hours of operation. One of
3 the 2 full-time child care personnel must be the owner or occu-
4 pant of the residence. A large family child care home must have
5 operated as a licensed family day care home for 2 years, with an
6 operator who has had a child development associate credential or
7 its equivalent for 1 year, before seeking licensure as a large
8 family child care home. A large family child care home shall be
9 allowed to provide care for 1 of the following groups of chil-
10 dren, that includes children under 12 years of age who are
11 related to the caregiver:

12 (i) A maximum of 8 children from birth to 24 months of age.

13 (ii) A maximum of 12 children, with no more than 4 children
14 under 24 months of age.

15 (b) "Indoor recreational facility" means an indoor commer-
16 cial facility that is established for the primary purpose of
17 entertaining children in a planned fitness environment through
18 equipment, games, and activities in conjunction with food service
19 and that provides child care for a particular child no more than
20 4 hours on any 1 day. An indoor recreational facility shall be
21 licensed as a child care facility under section 5, but is exempt
22 from the minimum outdoor-square-footage-per-child requirement
23 specified in that section, if the indoor recreational facility
24 has, at a minimum, 3,000 square feet of usable indoor floor
25 space.

26 (c) "Local licensing agency" means any agency or individual
27 designated by the county to license child care facilities.

1 (d) "Market rate" means the price that a child care provider
2 charges for daily, weekly, or monthly child care services.

3 Market rate shall do all of the following:

4 (i) Be established for licensed child care facilities or
5 facilities that are not subject to section this act, licensed or
6 registered family day care homes, licensed before-school and
7 after-school child care programs, and unregulated care provided
8 by a relative or other caretaker.

9 (ii) Differentiate among child care for children with spe-
10 cial needs or risk categories, infants, toddlers, and preschool
11 and school-age children.

12 (iii) Differentiate between full-time and part-time care.

13 (iv) Consider reductions in the cost of care for additional
14 children in the same family.

15 (e) "Operator" means any on-site person ultimately responsi-
16 ble for the overall operation of a child care facility, whether
17 or not he or she is the owner or administrator of the facility.

18 (f) "Owner" means a person who is licensed to operate a
19 child care facility.

20 (g) "Prevailing market rate" means the annually determined
21 seventy-fifth percentile of a reasonable frequency distribution
22 of market rate in a predetermined geographic market at which
23 licensed child care providers charge a person for child care
24 services.

25 Sec. 4. As used in this act:

26 (a) "School readiness test" means a test designed to assess
27 a child's level of preparedness for an academic program.

1 (b) "Screening" means the act of assessing the background of
2 child care personnel and includes, but is not limited to, employ-
3 ment history checks, local criminal records checks through local
4 law enforcement agencies, fingerprinting for all purposes and
5 checks in this subsection, statewide criminal records checks
6 through the department of state police, and federal criminal
7 records checks through the federal bureau of investigation.
8 Screening for volunteers included under the definition of person-
9 nel includes only local criminal records checks through local law
10 enforcement agencies for current residence and residence immedi-
11 ately prior to employment as a volunteer, if different, and
12 statewide criminal records correspondence checks through the
13 department of state police.

14 (c) "Substantial compliance" means the level of adherence
15 that is sufficient to safeguard the health, safety, and
16 well-being of all children under care. Substantial compliance is
17 greater than minimal adherence but not to the level of absolute
18 adherence. Where a violation or variation is identified as the
19 type that impacts, or can be reasonably expected within 90 days
20 to impact, the health, safety, or well-being of a child, there is
21 no substantial compliance.

22 (d) "Weekend child care" means child care provided between
23 the hours of 6 p.m. on Friday and 6 a.m. on Monday.

24 Sec. 5. (1) The department shall establish licensing stan-
25 dards that each licensed child care facility must meet regardless
26 of the origin or source of the fees used to operate the facility

1 or the type of children served by the facility. The standards
2 shall be designed to address all of the following areas:

3 (a) The health, sanitation, safety, and adequate physical
4 surroundings for all children in child care.

5 (b) The health and nutrition of all children in child care.

6 (c) The child development needs of all children in child
7 care.

8 (2) All standards established under this act must be consis-
9 tent with the rules adopted by the state fire marshal for child
10 care facilities. If the facility is operated in a public school,
11 the department shall use the public school fire code, as provided
12 in the rules of the department of education, as the minimum stan-
13 dard for fire safety.

14 (3) The department shall promulgate rules for the minimum
15 standards for child care facilities. The rules shall address the
16 areas delineated in this section. The department, in promulgat-
17 ing rules to establish minimum standards for child care facili-
18 ties, shall recognize that different age groups of children may
19 require different standards. The department may promulgate dif-
20 ferent minimum standards for facilities that serve children in
21 different age groups, including school-age children.

22 (4) Minimum standards for child care personnel shall include
23 all of the following minimum requirements:

24 (a) Good moral character based on screening. The screening
25 shall be conducted as provided in the rules promulgated by the
26 director for child care personnel employment screening, using the
27 level 2 standards for screening set forth in that chapter.

1 (b) Allowed exemptions from disqualification from working
2 with children or the developmentally disabled as provided in the
3 rules promulgated by the director for child care personnel
4 employment screening.

5 (c) Minimum age requirements. The minimum standards shall
6 prohibit a person under the age of 21 from operating a child care
7 facility and a person under the age of 16 from being employed at
8 a child care facility unless that person is under direct supervi-
9 sion and is not counted for the purposes of computing the
10 personnel-to-child ratio.

11 (d) Minimum training requirements for child care personnel.
12 The minimum standards for training shall ensure that all child
13 care personnel and operators of family day care homes serving
14 at-risk children in a subsidized child care program under section
15 39 take an approved 40-clock-hour introductory course in child
16 care, that covers at least the following topic areas:

17 (i) State and local rules and regulations that govern child
18 care.

19 (ii) Health, safety, and nutrition.

20 (iii) Identifying and reporting child abuse and neglect.

21 (iv) Child development, including typical and atypical lan-
22 guage, cognitive, motor, social, and self-help skills
23 development.

24 (v) Observation of developmental behaviors, including using
25 a checklist or other similar observation tools and techniques to
26 determine the child's developmental age level.

1 (vi) Specialized areas, as determined by the department, for
2 owner-operators and child care personnel of a child care
3 facility.

4 (e) Periodic health examinations.

5 (f) By January 1, 2001, a credential for child care facility
6 directors. By January 1, 2001, the credential shall be a
7 required minimum standard for licensing.

8 Sec. 6. (1) Within 90 days of employment, child care per-
9 sonnel shall begin training to meet the training requirements and
10 shall complete the training within 1 year of the date on which
11 training began. Child care personnel may be exempted from all or
12 part of the required training based on educational credentials or
13 passing a competency examination.

14 (2) The introductory course in child care shall stress, to
15 the extent possible, an interdisciplinary approach to the study
16 of children.

17 (3) On an annual basis in order to further their child care
18 skills and, if appropriate, administrative skills, child care
19 personnel who have fulfilled the requirements for the child care
20 training are required to take an additional approved 8 clock
21 hours of in-service training or an equivalent as determined by
22 the department.

23 (4) The minimum standards shall include procedures for
24 ensuring the training of qualified child care professionals to
25 provide training of child care personnel, including on-site
26 training. It is recommended that the department contract with
27 the state community child care coordination agencies (central

1 agencies) to coordinate training when possible. Other district
2 educational resources, such as community colleges and
3 vocational-technical programs, can be designated in areas where
4 central agencies do not exist or do not have the capability to
5 meet the coordination requirements set forth by the department.

6 (5) Training requirements do not apply to certain occasional
7 or part-time support staff, including, but not limited to, swim-
8 ming instructors, piano teachers, dance instructors, and gymnas-
9 tics instructors.

10 (6) The state coordinating council for early childhood serv-
11 ices, in coordination with the department, shall evaluate or con-
12 tract for an evaluation for the general purposes of determining
13 the status of and means to improve staff training requirements
14 and testing procedures. The evaluation methodology shall include
15 a reliable and valid survey of child care personnel. The evalu-
16 ation shall be completed by October 1, 2001 and conducted every 2
17 years after that. The evaluation shall include, but not be
18 limited to, all of the following:

19 (a) Determining the availability, quality, scope, and
20 sources of current staff training.

21 (b) Determining the need for specialty training.

22 (c) Determining ways to increase in-service training and
23 ways to increase the accessibility, quality, and
24 cost-effectiveness of current and proposed staff training.

25 (7) A child care operator is required to take basic training
26 in serving children with disabilities within 5 years after

1 employment, either as a part of the introductory training or the
2 annual 8 hours of in-service training.

3 Sec. 7. (1) By July 1, 2001, for every 20 children in a
4 licensed child care facility that operates 8 hours or more per
5 week, 1 of the child care personnel in the facility must have 1
6 or more of the following:

7 (a) A child development associate credential.

8 (b) A child care professional credential, unless the depart-
9 ment determines that the child care professional credential is
10 not equivalent to or greater than a child development associate
11 credential.

12 (c) A credential that is equivalent to or greater than the
13 credential required in subdivision (a) or (b).

14 (2) The department shall establish by rule the hours of
15 operation, such as during rest periods and transitional periods,
16 when subsection (1) does not apply.

17 Sec. 8. (1) Minimum standards for the care of children in a
18 licensed child care facility as established by rule of the
19 department shall include all of the following:

20 (a) For children from birth through 1 year of age, there
21 must be 1 child care personnel for every 4 children.

22 (b) For children 1 year of age or older, but under 2 years
23 of age, there must be 1 child care personnel for every 6
24 children.

25 (c) For children 2 years of age or older, but under 3 years
26 of age, there must be 1 child care personnel for every 11
27 children.

1 (d) For children 3 years of age or older, but under 4 years
2 of age, there must be 1 child care personnel for every 15
3 children.

4 (e) For children 4 years of age or older, but under 5 years
5 of age, there must be 1 child care personnel for every 20
6 children.

7 (f) For children 5 years of age or older, there must be 1
8 child care personnel for every 25 children.

9 (g) When children 2 years of age and older are in child
10 care, the staff-to-child ratio shall be based on the age group
11 with the largest number of children within the group.

12 (2) An individual participating in a community service work
13 experience activity or a work experience activity under the
14 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, at a
15 child care facility may not be considered in calculating the
16 staff-to-children ratio.

17 Sec. 9. (1) Minimum standards shall include requirements
18 for building conditions, indoor play space, outdoor play space,
19 napping space, bathroom facilities, food preparation facilities,
20 outdoor equipment, and indoor equipment. Due to the nature and
21 duration of drop-in child care, outdoor play space and outdoor
22 equipment are not required for licensure. If outdoor play space
23 and outdoor equipment are provided, the minimum standards apply
24 to drop-in child care. With respect to minimum standards for
25 physical facilities of a child care program for school-age chil-
26 dren that is operated in a public school facility, the department
27 shall adopt the state uniform building code for public

1 educational facilities construction as the minimum standards,
2 regardless of the operator of the program. The legislature
3 intends that if a child care program for school-age children is
4 operated in a public school, the program need not conform to
5 standards for physical facilities other than the standards
6 adopted by the department director.

7 (2) The department shall promulgate rules to establish the
8 minimum standards.

9 (3) A child care facility that holds a valid license on
10 October 1, 2001 must have a minimum of 20 square feet of usable
11 indoor floor space for each child and a minimum of 45 square feet
12 of usable outdoor play area for each child. Outdoor play area
13 shall be calculated at the rate of 45 feet per child in any group
14 using the play area at 1 time. A minimum play area shall be pro-
15 vided for half of the licensed capacity. This standard applies
16 as long as the child care facility remains licensed at the site
17 occupied on October 1, 2001 and is not affected by change in the
18 ownership of the site.

19 (4) A child care facility that does not hold a valid license
20 on October 1, 2001 and seeks regulatory approval to operate as a
21 child care facility must have a minimum of 35 square feet of
22 usable floor space for each child and a minimum of 45 square feet
23 of usable outdoor play area for each child. The minimum standard
24 for outdoor play area does not apply in calculating square foot-
25 age for children under 1 year of age. Appropriate outdoor infant
26 equipment shall be substituted for outdoor play space. The child
27 care facility shall provide facilities and equipment conducive to

1 the physical activities appropriate for the age and physical
2 development of the child.

3 Sec. 10. (1) Minimum standards shall include requirements
4 for sanitary and safety conditions, first aid treatment, emer-
5 gency procedures, and pediatric cardiopulmonary resuscitation.
6 The minimum standards shall require that at least 1 staff person
7 trained in cardiopulmonary resuscitation, as demonstrated by cur-
8 rent documentation of course completion, must be present at all
9 times that children are present.

10 (2) In the case of a child care program for school-age chil-
11 dren attending before and after school programs on the public
12 school site, the department shall use the public school fire
13 code, as promulgated in the rules of the department of education,
14 as the minimum standard for fire safety. In the case of a child
15 care program for school-age children attending before-school and
16 after-school programs on a site operated by a municipality, the
17 department shall adopt rules for that site and the intended use.

18 (3) Some type of communications system, such as a pocket
19 pager or beeper, shall be provided to a parent whose child is in
20 drop-in child care to ensure the immediate return of the parent
21 to the child, if necessary.

22 Sec. 11. Minimum standards shall include requirements for
23 the providing of meals or snacks of a quality and quantity to
24 assure that the nutritional needs of the child are met.

25 Sec. 12. (1) Minimum standards shall include requirements
26 for preadmission and periodic health examinations, requirements

1 for immunizations, and requirements for maintaining emergency
2 information and health records on all children.

3 (2) Because of the nature and duration of drop-in child
4 care, requirements for preadmission and periodic health examina-
5 tions and requirements for medically signed records of immuniza-
6 tion required for child care facilities do not apply. A parent
7 of a child in a drop-in child care is required to attest to the
8 child's health condition and the type and current status of the
9 child's immunizations.

10 (3) A child is exempt from medical or physical examination
11 or medical or surgical treatment upon written request of the
12 parent or guardian of the child who objects to the examination
13 and treatment. The laws, rules, and regulations relating to con-
14 tagious or communicable diseases and sanitary matters shall not
15 be violated due to any exemption from or variation of the health
16 and immunization minimum standards.

17 Sec. 13. Minimum standards shall include requirements for
18 child restraints or seat belts in vehicles used by child care
19 facilities to transport children, requirements for annual inspec-
20 tions of the vehicles, and limitations on the number of children
21 in the vehicles.

22 Sec. 14. Minimum standards shall provide for reasonable
23 access to the child care facility by the custodial parent or
24 guardian during the time the child is in care.

25 Sec. 15. (1) Minimum standards for child discipline prac-
26 tices shall ensure that age-appropriate, constructive
27 disciplinary practices are used for children in care. The

1 standards shall include at least all of the following
2 requirements:

3 (a) Children shall not be subjected to discipline that is
4 severe, humiliating, or frightening.

5 (b) Discipline shall not be associated with food, rest, or
6 toileting.

7 (c) Spanking or any other form of physical punishment is
8 prohibited.

9 (2) Prior to admitting a child to a child care facility, the
10 facility shall notify the parents in writing of the disciplinary
11 practices used by the facility.

12 Sec. 16. Minimum standards shall ensure that each child
13 care facility has and implements a written plan for daily provid-
14 ing varied activities and active and quiet play opportunities
15 appropriate to the age of the child. The written plan must
16 include a program, to be implemented periodically for children of
17 an appropriate age, that will assist the children in preventing
18 and avoiding physical and mental abuse.

19 Sec. 17. (1) Minimum standards shall include requirements
20 for child care facilities located in urban areas. The standards
21 must allow urban child care facilities to substitute indoor play
22 space for outdoor play space if outdoor play space is not avail-
23 able in the area and must set forth additional requirements that
24 apply to a facility that makes that substitution, including, but
25 not limited to, all of the following:

26 (a) Additional square footage requirements for indoor
27 space.

1 (b) Air ventilation provisions.

2 (c) A requirement to provide facilities and equipment condu-
3 cive to physical activities appropriate for the age of the
4 children.

5 (2) During the periods of time in which children are arriv-
6 ing and departing from the child care facility, notwithstanding
7 local fire ordinances, the provisions of section 9(3) are sus-
8 pended for a period of time not exceeding 30 minutes.

9 Sec. 18. The department shall develop minimum standards to
10 provide for reasonable, affordable, and safe evening and weekend
11 child care. Each facility offering evening or weekend child care
12 must meet the minimum standards, regardless of the origin or
13 source of the fees used to operate the facility or the type of
14 children served by the facility. The department may modify by
15 rule the licensing standards contained in this section to accom-
16 modate evening child care.

17 Sec. 19. The department shall develop minimum standards, in
18 conjunction with the department of community health, for special-
19 ized child care facilities for the care of mildly ill children.
20 The minimum standards shall address all of the following areas:

21 (a) Personnel requirements.

22 (b) Staff-to-child ratios.

23 (c) Staff training and credentials.

24 (d) Health and safety.

25 (e) Physical facility requirements, including square
26 footage.

1 (f) Client eligibility, including a definition of "mildly
2 ill children".

3 (g) Sanitation and safety.

4 (h) Admission and record keeping.

5 (i) Dispensing medication.

6 (j) A schedule of activities.

7 Sec. 20. (1) There is created a child care technical review
8 panel, appointed by the chair of the ad hoc committee, estab-
9 lished in section 2 of 1973 PA 116, MCL 722.112, to develop rec-
10 ommendations for inclusion, unedited, in that committee's annual
11 report as required by section 2 of 1973 PA 116, MCL 722.112, and
12 provide technical assistance to the department for promulgating
13 rules for licensing child care facilities according to the mini-
14 mum standards established in this act. The review panel shall
15 consist of 7 members, 5 of whom shall include the following:

16 (a) An owner or operator of a subsidized child care
17 facility.

18 (b) An owner or operator of a proprietary child care
19 facility.

20 (c) An owner or operator of a licensed church child care
21 facility.

22 (d) A child care provider that has attained a child develop-
23 ment associated credential.

24 (e) A child care provider that has attained a child care
25 professional credential.

1 (2) The initial technical review panel members must be
2 appointed by October 1, 2001 for a term of 3 years. No member
3 shall serve more than 2 consecutive terms.

4 Sec. 21. (1) One week prior to the transfer of ownership of
5 a child care facility or family day care home, the transferor
6 shall notify the parent or caretaker of each child of the impend-
7 ing transfer.

8 (2) The department shall, by rule, establish methods by
9 which notice will be achieved and minimum standards by which to
10 implement this act.

11 Sec. 22. (1) The department shall establish procedures to
12 reimburse licensed, exempt, or registered child care providers
13 who hold a gold seal quality care designation at the market rate
14 for child care services for children who are eligible to receive
15 subsidized child care.

16 (2) The department shall establish procedures to reimburse
17 licensed, exempt, or registered child care providers at the pre-
18 vailing market rate for child care services for children who are
19 eligible to receive subsidized child care, unless prohibited by
20 federal law.

21 (3) The department shall establish procedures to reimburse
22 providers of unregulated child care at not more than 50% of the
23 market rate.

24 (4) The payment system shall not interfere with the parents'
25 decision as to the appropriate child care arrangement, regardless
26 of the level of available funding for child care. The child care

1 program assessment tool shall not be used to determine
2 reimbursement rates.

3 Sec. 23. (1) The department may provide child care grants
4 to central agencies, community colleges, and vocational or tech-
5 nical programs to provide support and technical assistance to
6 licensed child care providers.

7 (2) The department may use the state community child care
8 coordination agencies or central agencies, community colleges,
9 and vocational or technical programs to implement this section.

10 (3) The department may adopt rules and other policy provi-
11 sions necessary to implement this section.

12 (4) This section shall be implemented only to the extent
13 that funding is available.

14 Sec. 24. (1) There is created the child development associ-
15 ate training grants program within the department. The purpose
16 of the child development associate training grants program is to
17 provide child care personnel who work in a licensed child care
18 facility or public and nonpublic preschool program for children 5
19 years of age or under an opportunity to receive a child develop-
20 ment associate credential, or its equivalent, and to receive
21 other training to enhance their skills. The state coordinating
22 council for early childhood services shall serve in an advisory
23 capacity to the department in the implementation of the training
24 program.

25 (2) The department shall establish eligibility criteria for
26 the training program for child care personnel under this
27 section.

1 (3) The department through contract may provide a training
2 grant to a community college, vocational or technical program,
3 central agency, or other entity to provide the training for a
4 child development associate credential or its equivalent.

5 (4) The department shall require a community college, voca-
6 tional or technical program, central agency, or other entity
7 under contract to comply with the following requirements:

8 (a) Identification of the training needs of the area served
9 by the community college, vocational or technical program, cen-
10 tral agency, or other entity participating in the training grant,
11 including an assessment of area resources available for training
12 child care, home visits, and other family support personnel to
13 work with children with special needs.

14 (b) Development of procedures to accommodate and facilitate
15 the attendance of child care personnel who are interested in the
16 training at the training site and location.

17 (c) Development of a plan to provide training and technical
18 assistance, as needed, to child care personnel after the attain-
19 ment of the child development associate credential or its
20 equivalent.

21 (d) Development of lending resources and other library mate-
22 rial addressing child development, for the use of child care per-
23 sonnel in a licensed child care facility.

24 (e) Submission of an annual training report that provides
25 information required by the department, including, but not
26 limited to, the following:

- 1 (i) The number of child care personnel trained.
- 2 (ii) The number of child care personnel attaining the child
3 development associate credential or its equivalent.
- 4 (f) The development of training strategies to train child
5 care personnel beyond the child development associate
6 credential.
- 7 (g) Other requirements as determined by the department.
- 8 (5) The department shall provide child care incentive grants
9 for innovative child care private-public partnerships that pro-
10 mote the development of child care facilities or family day care
11 homes.
- 12 (a) The purpose of the child care incentive grants is to
13 encourage private-public partnership efforts to train and assist
14 public assistance recipients to gain employment in child care
15 facilities or operate child care facilities or family day care
16 homes.
- 17 (b) Child care incentive grants shall assist public assist-
18 ance recipients, whenever possible, in acquiring the child devel-
19 opment associate credential or its equivalent.
- 20 (c) The department shall develop and implement a plan, in
21 cooperation with other state agencies, to maximize existing fed-
22 eral and state funding sources to achieve the purpose of this
23 incentive grant.
- 24 (6) The department may contract with the department of edu-
25 cation to implement any of the provisions of this section.
- 26 (7) The department may adopt rules and other policy
27 provisions necessary to implement this section.

1 (8) This section shall be implemented only to the extent
2 that funding is available.

3 Sec. 25. (1) The department or local licensing agency shall
4 require that the application for a child care license contain a
5 question that specifically asks the applicant, owner, or operator
6 if he or she has ever had a license denied, revoked, or suspended
7 in any state or jurisdiction or has been the subject of a disci-
8 plinary action or been fined while employed in a child care
9 facility. The applicant, owner, or operator shall attest to the
10 accuracy of the information requested under penalty of perjury.
11 If the applicant, owner, or operator admits that he or she has
12 been a party in such action, the department or local licensing
13 agency shall review the nature of the suspension, revocation,
14 disciplinary action, or fine before granting the applicant a
15 license to operate a child care facility. If the department or
16 local licensing agency determines as the result of the review
17 that it is not in the best interest of the state or local juris-
18 diction for the applicant to be licensed, the department shall
19 not grant a license.

20 (2) The child care facility employer shall require that the
21 application for a child care personnel position contain a ques-
22 tion that specifically asks the applicant if he or she has ever
23 worked in a facility that has had a license denied, revoked, or
24 suspended in any state or jurisdiction or has been the subject of
25 a disciplinary action or been fined while employed in a child
26 care facility. The applicant shall attest to the accuracy of the
27 information requested under penalty of perjury. If the applicant

1 admits that he or she has been a party in such action, the
2 employer shall review the nature of the denial, suspension, revo-
3 cation, disciplinary action, or fine before the applicant is
4 hired.

5 (3) The department or local licensing agency shall deny,
6 suspend, or revoke a license or pursue other remedies provided in
7 this act in addition to or in lieu of denial, suspension, or
8 revocation for failure to comply with this section. The disci-
9 plinary actions determination to be made by the department or the
10 local licensing agency and the procedure for hearing for appli-
11 cants and licensees shall be in accordance with this act.

12 (4) If the department or the local licensing agency has rea-
13 sonable cause to believe that grounds for denial or termination
14 of employment exist, the department shall notify, in writing, the
15 applicant, licensee, or other child care program and the child
16 care personnel affected, stating the specific record that indi-
17 cates noncompliance with the standards set forth in this act.

18 (5) If the department is the agency initiating the statement
19 regarding noncompliance, the procedures established for hearing
20 under the administrative procedures act of 1969, 1969 PA 306, MCL
21 24.201 to 24.328, shall be available to the applicant, licensee,
22 or other child care program and to the affected child care per-
23 sonnel, in order to present evidence relating either to the accu-
24 racy of the basis of exclusion or to the denial of an exemption
25 from disqualification.

26 (6) If a local licensing agency is the agency initiating the
27 statement regarding noncompliance of an employee with the

1 standards contained in this act, the employee, applicant,
2 licensee, or other child care program has 15 days from the time
3 of written notification of the agency's finding to make a written
4 request for a hearing. If a request for a hearing is not
5 received in that time, the permanent employee, applicant, licens-
6 ee, or other child care program is presumed to accept the
7 finding.

8 (7) If a request for a hearing is made to the local licens-
9 ing agency, a hearing shall be held within 30 days and shall be
10 conducted by an individual designated by the county commission.

11 (8) An employee, applicant, licensee, or other child care
12 program has the right to appeal a finding of the local licensing
13 agency to a representative of the department. A required hearing
14 shall be held in the county in which the permanent employee is
15 employed. The hearing shall be conducted in accordance with the
16 provisions of the administrative procedures act of 1969, 1969 PA
17 306, MCL 24.201 to 24.238.

18 (9) Refusal on the part of an applicant or licensee to dis-
19 miss child care personnel who have been found to be in noncompli-
20 ance with personnel standards promulgated by the director shall
21 result in automatic denial or revocation of the license in addi-
22 tion to any other remedies pursued by the department or local
23 licensing agency.

24 Sec. 26. (1) Every child care facility in the state shall
25 have a license that shall be renewed annually.

26 (2) Every child care facility shall reapply for and receive
27 a license prior to the time a new owner assumes responsibility

1 for the facility. The department shall grant or deny the
2 reapplication for license within 45 days from the date upon which
3 the child care facility reapplies.

4 Sec. 27. In any county in which the department has the
5 authority to issue licenses, all of the following procedures
6 shall be applied:

7 (a) Application for a license or for a renewal of a license
8 to operate a child care facility shall be made in the manner and
9 on the forms prescribed by the department. The applicant's
10 social security number shall be included on the form submitted to
11 the department. According to the federal personal responsibility
12 and work opportunity reconciliation act of 1996, each applicant
13 is required to provide his or her social security number in
14 accordance with this section. Disclosure of social security num-
15 bers obtained through this requirement is limited to the purpose
16 of administration of the federal provisions for child support
17 enforcement, part D of title IV of the social security act, chap-
18 ter 531, 49 Stat. 620, 42 U.S.C. 651 to 660 and 663 to 669b.

19 (b) Prior to the renewal of a license, the department shall
20 reexamine the child care facility, including in that process the
21 examination of the premises and those records of the facility as
22 required under this act, to determine that minimum standards for
23 licensing continue to be met.

24 (c) The department shall coordinate all inspections of child
25 care facilities. A child care facility is not required to imple-
26 ment a recommendation of 1 agency that is in conflict with a
27 recommendation of another agency if a conflict arises due to

1 uncoordinated inspections. A conflict in recommendations shall
2 be resolved by the director of the department within 15 days
3 after written notice that the conflict exists.

4 (d) The department shall issue or renew a license upon
5 receipt of the license fee and upon being satisfied that all
6 standards required by this act have been met. A license may be
7 issued if all the screening materials have been timely
8 submitted. A license may not be issued or renewed if any of the
9 child care personnel at the applicant facility have failed the
10 screening required by this act.

11 Sec. 28. In any county where there is a local licensing
12 agency approved by the department, all of the following proce-
13 dures apply:

14 (a) Application for a license or for renewal of license to
15 operate a child care facility shall be made in the manner and on
16 the forms prescribed by the local licensing agency.

17 (b) Prior to renewing a license, the agency shall reexamine
18 the child care facility, including examining the premises and
19 records of the facility as required under this act to determine
20 that minimum standards for licensing continue to be met.

21 (c) The local agency shall coordinate all inspections of
22 child care facilities. A child care facility is not required to
23 implement a recommendation of 1 agency that is in conflict with a
24 recommendation of another agency if a conflict arises due to
25 uncoordinated inspections. A conflict in recommendations shall
26 be resolved by the county commission or its representative within
27 15 days after written notice that a conflict exists.

1 (d) The local licensing agency shall issue a license or
2 renew a license upon being satisfied that all standards required
3 by this act have been met. A license may be issued or renewed if
4 all the screening materials have been timely submitted. The
5 local licensing agency shall not issue or renew a license if any
6 of the child care personnel at the applicant facility have failed
7 the screening required by this act.

8 Sec. 29. No county or municipality shall issue an occupa-
9 tional license that is being obtained for the purpose of operat-
10 ing a child care facility regulated under this act without first
11 ascertaining that the applicant has been licensed to operate a
12 facility at the specified location or locations by the department
13 or local licensing agency. The department or local licensing
14 agency shall furnish to local agencies responsible for issuing
15 occupational licenses sufficient instruction for making the above
16 required determinations.

17 Sec. 30. (1) The local licensing agency or the department,
18 whichever is authorized to license child care facilities in a
19 county, may issue a provisional license to applicants for a
20 license or to licensees who are unable to conform to all the
21 standards provided for in this act.

22 (2) No provisional license may be issued unless the operator
23 or owner makes adequate provisions for the health and safety of
24 the child. A provisional license may be issued if all of the
25 screening materials have been timely submitted. A provisional
26 license may not be issued unless the child care facility is

1 complying with the requirements for screening of child care
2 personnel in section 31.

3 (3) The provisional license shall in no event be issued for
4 a period in excess of 6 months. A provisional license may be
5 renewed 1 time for a period not in excess of 6 months under
6 unusual circumstances beyond the control of the applicant.

7 (4) The provisional license may be suspended if periodic
8 inspection made by the local licensing agency or the department
9 indicates that insufficient progress has been made toward
10 compliance.

11 Sec. 31. (1) The department or local licensing agency may
12 deny, suspend, or revoke a license or impose an administrative
13 fine not to exceed \$100.00 per violation, per day, for the viola-
14 tion of any provision of this act or rules promulgated according
15 to this act. If the violation could or does cause death or seri-
16 ous harm, the department or local licensing agency may impose an
17 administrative fine, not to exceed \$500.00 per violation per
18 day.

19 (2) In determining the appropriate disciplinary action to be
20 taken for a violation as provided in section (1), all of the fol-
21 lowing factors shall be considered:

22 (a) The severity of the violation, including the probability
23 that death or serious harm to the health or safety of any person
24 will result or has resulted, the severity of the actual or poten-
25 tial harm, and the extent to which the provisions of this act
26 have been violated.

1 (b) Actions taken by the licensee to correct the violation
2 or to remedy complaints.

3 (c) Any previous violations of the licensee.

4 (3) If the department has reasonable cause to believe that
5 grounds for the denial, suspension, or revocation of a license or
6 imposition of an administrative fine exist, the department shall
7 determine the matter according to procedures prescribed in the
8 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
9 24.328. When the local licensing agency has reasonable cause to
10 believe that grounds for the denial, suspension, or revocation of
11 a license or imposition of an administrative fine exist, the
12 department shall notify the applicant or licensee in writing,
13 stating the grounds on which the license is being denied, sus-
14 pended, or revoked or an administrative fine is being imposed.
15 If the applicant or licensee makes no written request for a hear-
16 ing to the local licensing agency within 15 days from receipt of
17 notice, the license is considered denied, suspended, or revoked
18 or an administrative fine shall be imposed.

19 (4) If a request for a hearing is made to the local licens-
20 ing agency, a hearing shall be held within 30 days and shall be
21 conducted by an individual designated by the county commission.

22 (5) An applicant or licensee has the right to appeal a deci-
23 sion of the local licensing agency to a representative of the
24 department. A required hearing shall be held in the county in
25 which the child care facility is being operated or is to be
26 established. The hearing shall be conducted according to the

1 provisions of the administrative procedures act of 1969, 1969 PA
2 306, MCL 24.201 to 24.328.

3 Sec. 32. A licensed child care facility shall give to the
4 department or the local licensing agency, whichever is applica-
5 ble, the privilege of inspection, including access to facilities
6 and personnel and to the records required in section 31, at rea-
7 sonable times during regular business hours, to ensure compliance
8 with the provisions of this act. The right of entry and inspec-
9 tion shall also extend to any premises that the department or
10 local licensing agency has reason to believe are being operated
11 or maintained as a child care facility without a license, but no
12 entry or inspection of any premises shall be made without the
13 permission of the person in charge unless a warrant is first
14 obtained from the circuit court authorizing entry or inspection.
15 An application for a license or renewal made under this act or
16 the advertisement to the public for the provision of child care
17 as defined in section 2 shall constitute permission for entry or
18 inspection of the premises for which the license is sought in
19 order to facilitate verification of the information submitted on
20 or in connection with the application. In the event a licensed
21 facility refuses permission for entry or inspection to the
22 department or local licensing agency, a warrant shall be obtained
23 from the circuit court authorizing entry or inspection prior to
24 the entry or inspection. The department or local licensing
25 agency may institute disciplinary proceedings according to sec-
26 tion 31, for the refusal.

1 Sec. 33. The department and local governmental agencies
2 that license child care facilities shall develop and implement a
3 plan to eliminate duplicative and unnecessary inspections of
4 child care facilities. In addition, the department and the local
5 governmental agencies shall develop and implement an abbreviated
6 inspection plan for child care facilities that have had no class
7 1 or class 2 deficiencies, as defined by rule, for at least 2
8 consecutive years. The abbreviated inspection must include the
9 elements identified by the department and the local governmental
10 agencies as key indicators of whether the child care facility
11 continues to provide quality care and programming.

12 Sec. 34. (1) Operating a child care facility without a
13 license is prohibited. If the department or the local licensing
14 agency discovers that a child care facility is being operated
15 without a license, the department or local licensing agency is
16 authorized to seek an injunction in the circuit court where the
17 facility is located to enjoin continued operation of the
18 facility. If the court is closed for the transaction of judicial
19 business, the department or local licensing agency is authorized
20 to seek an emergency injunction to enjoin continued operation of
21 an unlicensed facility, which injunction shall be continued, mod-
22 ified, or revoked on the next day of judicial business.

23 (2) Other grounds for seeking an injunction to close a
24 facility are 1 or more of the following:

25 (a) There is a violation of the standards applied under this
26 act that threatens harm to a child in the child care facility.

1 (b) A licensee has repeatedly violated the standards
2 provided for under this act.

3 (c) A child care facility continues to have children attend-
4 ing after the closing date established by the department or the
5 local licensing agency.

6 (3) The department may impose an administrative fine on any
7 child care facility operating without a license, consistent with
8 the provisions of this act.

9 Sec. 35. (1) Upon receipt of a license issued under this
10 act, the child care facility shall display the license in a con-
11 spicuous place within the facility.

12 (2) In addition to posting the license as required under
13 subsection (1), the child care facility shall post with the
14 license all of the following:

15 (a) Each citation for a violation of a standard or require-
16 ment of this act that has resulted in disciplinary action under
17 this act.

18 (b) An explanation, written in simple language, of each
19 citation.

20 (c) A description, written in simple language, of the cor-
21 rective action, if any, taken by the facility for each citation.
22 Included in the description shall be the dates on which the cor-
23 rective action was taken.

24 (3) Each citation, explanation, and description of correc-
25 tive action shall remain posted for 1 year after the citation's
26 effective date.

1 (4) The department shall ensure that every license it issues
2 under this act bears the distinctive seals of the state of
3 Michigan and of the department and is clearly recognizable by its
4 size, color, seals, and contents to be a state license or provi-
5 sional license for a child care facility.

6 (5) Each local licensing agency shall ensure that every
7 license it issues under this act bears the distinctive seals of
8 the issuing county and of the department and is clearly recogniz-
9 able by its size, color, seals, and contents to be a county
10 license or provisional license for a child care facility.
11 Noncompliance by a local licensing agency shall be considered by
12 the department to be failure to meet minimum state standards and
13 shall result in the department immediately assuming licensure
14 authority in the county.

15 (6) A license issued under this section shall include the
16 name, address, and telephone number of the licensing agency.

17 Sec. 36. (1) The department shall develop a model brochure
18 for distribution by the department and local licensing agencies
19 to every child care facility in the state.

20 (2) Upon receipt of the brochures developed under subsection
21 (1), each child care facility shall provide a copy to every
22 parent, guardian, or other person having entered a child in the
23 facility. A copy of the brochure shall be provided to every
24 parent, guardian, or other person entering a child in the facil-
25 ity upon entrance of the child or prior to a child's entrance in
26 the facility.

1 (3) Each child care facility shall certify to the department
2 or local licensing agency that it has provided the brochures as
3 required under subsection (2) and will continue to so provide
4 brochures. Certification shall operate as a condition upon issu-
5 ance and renewal of licensure. Noncompliance by any child care
6 facility shall be grounds for sanction as provided in this act.

7 (4) The brochure shall, at a minimum, contain all of the
8 following information:

9 (a) A statement that the facility is licensed and has met
10 state standards for licensure as established in this act or that
11 the facility is licensed by a local licensing agency and has met
12 or exceeded the state standards, according to this act. The
13 statement shall include a listing of specific standards that
14 licensed facilities must meet according to this act.

15 (b) A statement indicating that information about the licen-
16 sure status of the child care facility can be obtained by tele-
17 phoning the department office or the office of the local licens-
18 ing agency issuing the license at a telephone number or numbers
19 that shall be printed upon or otherwise affixed to the brochure.

20 (c) The statewide toll-free telephone number of the state
21 child abuse hotline, together with a notice that reports of sus-
22 pected and actual cases of child physical abuse, sexual abuse,
23 and neglect are received and referred for investigation by the
24 registry.

25 (d) The date that the current license for the facility was
26 issued and the date of its scheduled expiration if it is not
27 renewed.

1 (e) Any other information relating to competent child care
2 that the department considers helpful to parents and other care-
3 takers in their selection of a child care facility.

4 (5) The department shall prepare a brochure containing sub-
5 stantially the same information as specified in subsection (4)
6 and shall make the brochure available to all interested persons,
7 including physicians and other health professionals, mental
8 health professionals, school teachers or other school personnel,
9 social workers or other professional child care, foster care,
10 residential, or institutional workers, and law enforcement
11 officers.

12 Sec. 37. (1) Family day care homes shall be licensed under
13 this act if they are presently being licensed under an existing
14 county licensing ordinance, if they are participating in the sub-
15 sidized child care program, or if the board of county commission-
16 ers passes a resolution that family day care homes be licensed.
17 If no county authority exists for the licensing of a family day
18 care home, the department has the authority to license family day
19 care homes under contract for the purchase-of-service system in
20 the subsidized child care program.

21 (2) If not subject to license, family day care homes shall
22 register annually with the department, providing all of the fol-
23 lowing information:

24 (a) The name and address of the home.

25 (b) The name of the operator.

26 (c) The number of children served.

1 (d) Proof of a written plan to provide at least 1 other
2 competent adult to be available to substitute for the operator in
3 an emergency. This plan shall include the name, address, and
4 telephone number of the designated substitute.

5 (e) Proof of screening and background checks.

6 (f) Proof of completion of the 30-hour training course, that
7 includes all of the following:

8 (i) State and local rules and regulations that govern child
9 care.

10 (ii) Health, safety, and nutrition.

11 (iii) Identifying and reporting child abuse and neglect.

12 (iv) Child development, including typical and atypical lan-
13 guage development and cognitive, motor, social, and self-help
14 skills development.

15 (v) Observation of developmental behaviors, including using
16 a checklist or other similar observation tools and techniques to
17 determine a child's developmental level.

18 (vi) Specialized areas, as determined by the department, for
19 owner-operators of family day care homes.

20 (g) Proof that immunization records are kept current.

21 (3) The department or local licensing agency may impose an
22 administrative fine, not to exceed \$100.00, for failure to comply
23 with licensure or registration requirements.

24 (4) A family day care home not participating in the subsi-
25 dized child care program may volunteer to be licensed under the
26 provisions of this act.

1 (5) The department may provide technical assistance to
2 counties and family day care home providers to enable counties
3 and family day care providers to achieve compliance with family
4 day care homes standards.

5 (6) The information provided under this section shall be
6 included in a directory to be published annually by the depart-
7 ment to inform the public of available child care facilities.

8 (7) Child care personnel in family day care homes are
9 subject to the applicable screening provisions contained in this
10 act. For purposes of screening in family day care homes, the
11 term includes any member over the age of 12 years of a family day
12 care home operator's family, or persons over the age of 12 years
13 residing with the operator in the family day care home. Members
14 of the operator's family, or persons residing with the operator,
15 who are between the ages of 12 years and 18 years are required to
16 be fingerprinted, but shall be screened for delinquency records.

17 (8) Operators of family day care homes shall take an
18 approved 30-clock-hour introductory course in child care. Family
19 day care homes licensed or registered on June 30, 2001 shall have
20 until June 30, 2001 to comply with this course requirement,
21 except that the department shall exempt family day care homes in
22 this category that can demonstrate that the operator has received
23 at least 30 hours of training. Family day care homes initially
24 licensed or registered on or after July 1, 2001, but before
25 October 1, 2001, shall have until October 1, 2001 to comply with
26 the 30-clock-hour course requirement. Family day care homes
27 initially licensed or registered on or after October 1, 2001 must

1 comply with the 30-clock-hour course requirement before caring
2 for children.

3 (9) Family day care home operators may use supportive serv-
4 ices offered by the department.

5 (10) The department shall prepare a brochure on family day
6 care for distribution by the department and by local licensing
7 agencies, if appropriate, to family day care homes for distribu-
8 tion to parents utilizing the child care, and to all interested
9 persons, including physicians and other health professionals,
10 mental health professionals, school teachers or other school per-
11 sonnel, social workers or other professional child care, foster
12 care, residential, or institutional workers, and law enforcement
13 officers. The brochure shall, at a minimum, contain all of the
14 following information:

15 (a) A brief description of the requirements for family day
16 care registration, training, and fingerprinting and screening.

17 (b) A listing of the counties that require licensure of
18 family day care homes. The counties shall provide an addendum to
19 the brochure that provides a brief description of the licensure
20 requirements or may provide a brochure in lieu of the one
21 described in this subsection, provided it contains all the
22 required information on licensure and the required information in
23 the subsequent paragraphs.

24 (c) A statement indicating that information about the family
25 day care home's compliance with applicable state or local
26 requirements can be obtained by telephoning the department office
27 or the office of the local licensing agency, if appropriate, at a

1 telephone number or numbers that shall be affixed to the
2 brochure.

3 (d) The statewide toll-free telephone number of the state
4 child abuse hotline, together with a notice that reports of sus-
5 pected and actual child physical abuse, sexual abuse, and neglect
6 are received and referred for investigation by the registry.

7 (e) Any other information relating to competent child care
8 that the department or local licensing agency, if preparing a
9 separate brochure, considers would be helpful to parents and
10 other caretakers in selection of a family day care home.

11 (11) On an annual basis, the department shall evaluate the
12 registration and licensure system for family day care homes. The
13 evaluation shall, at a minimum, address all of the following:

14 (a) The number of family day care homes registered and
15 licensed and the dates of registration and licensure.

16 (b) The number of children being served in both registered
17 and licensed family day care homes and any available slots in the
18 homes.

19 (c) The number of complaints received concerning family day
20 care, the nature of the complaints, and the resolution of the
21 complaints.

22 (d) The training activities utilized by child care personnel
23 in family day care homes for meeting the state or local training
24 requirements.

25 (12) The evaluation required under subsection (11) shall be
26 utilized by the department in any administrative modifications or
27 adjustments to be made in the registration of family day care

1 homes or in any legislative requests for modifications to the
2 system of registration or to other requirements for family day
3 care homes.

4 (13) In order to inform the public of the state requirement
5 for registration of family day care homes as well as the other
6 requirements for the homes to legally operate in the state, the
7 department shall institute a media campaign to accomplish this
8 end. The campaign shall include, at a minimum, flyers, newspaper
9 advertisements, radio advertisements, and television
10 advertisements.

11 (14) Notwithstanding any other state or local law or ordi-
12 nance, any family day care home licensed under this act or under
13 a county ordinance shall be charged the utility rates accorded to
14 a residential home. A licensed family day care home may not be
15 charged commercial utility rates.

16 (15) The department shall, by rule, establish minimum stan-
17 dards for family day care homes that are required to be licensed
18 by county licensing ordinance or county licensing resolution or
19 that voluntarily choose to be licensed. The standards should
20 include requirements for staffing, maintenance of immunization
21 records, minimum health standards, reduced standards for the reg-
22 ulation of child care during evening hours by municipalities and
23 counties, and enforcement of standards.

24 Sec. 38. (1) Large family child care homes shall be
25 licensed under this section.

1 (2) The department or local licensing agency may impose an
2 administrative fine, not to exceed \$1,000.00, for failure to
3 comply with licensure requirements.

4 (3) A licensed family day care home must first have operated
5 for a minimum of 2 consecutive years, with an operator who has
6 had a child development associate credential or its equivalent
7 for 1 year, before seeking licensure as a large family child care
8 home.

9 (4) The department may provide technical assistance to coun-
10 ties and family day care home providers to enable the counties
11 and providers to achieve compliance with minimum standards for
12 large family child care homes.

13 (5) Child care personnel in large family child care homes
14 are subject to the applicable screening provisions contained in
15 this act. For purposes of screening child care personnel in
16 large family child care homes, the term "child care personnel"
17 includes any member of a large family child care home operator's
18 family 12 years of age or older, or any person 12 years of age or
19 older residing with the operator in the large family child care
20 home. Members of the operator's family, or persons residing with
21 the operator, who are between the ages of 12 years and 18 years,
22 inclusive, shall not be required to be fingerprinted, but shall
23 be screened for delinquency records.

24 (6) Operators of large family child care homes shall take an
25 approved 40-clock-hour introductory course in group child care.

26 (7) The department shall prepare a brochure on large family
27 child care homes for distribution to the general public.

1 (8) The department shall, by rule, establish minimum
2 standards for large family child care homes. The standards shall
3 include, at a minimum, requirements for staffing, maintenance of
4 immunization records, minimum health standards, minimum safety
5 standards, minimum square footage, and enforcement of standards.

6 (9) Prior to being licensed by the department, large family
7 child care homes must be approved by the state or local fire
8 marshal in accordance with standards established for child care
9 facilities.

10 Sec. 39. (1) The department shall establish or contract for
11 a child care case management program for children at risk of
12 abuse or neglect participating in the subsidized child care pro-
13 gram and their families.

14 (2) The case management program staff shall perform, but not
15 be limited to, all of the following duties and responsibilities:

16 (a) Participate in the case staffing meetings.

17 (b) Provide technical assistance to child care staff or par-
18 ents on child development matters or other issues related to the
19 child.

20 (c) Provide technical assistance to child care plus facili-
21 ties or homes according to section 42.

22 (d) Supplement the training efforts of the department and
23 other providers in the child care and child development area.

24 (3) The department shall conduct or contract for an evalu-
25 ation to determine the effectiveness of this program component
26 and establish an allocation workload methodology for budget
27 development.

1 Sec. 40. The department shall establish a statewide child
2 care resource and referral network. Preference shall be given to
3 using the already established central agencies for subsidized
4 child care as the child care resource and referral agency. If
5 the agency cannot comply with the requirements to offer the
6 resource information component or does not want to offer that
7 service, the department shall select the resource information
8 agency based upon a request for proposal. At least 1 child care
9 resource and referral agency must be established in each district
10 of the department, but no more than 1 may be established in any
11 county. Child care resource and referral agencies shall provide
12 all of the following services:

13 (a) Identification of existing public and private child care
14 and early childhood education services, including child care
15 services by public and private employers, and the development of
16 a resource file of those services. These services may include
17 family day care, public and private child care programs, head
18 start, prekindergarten early intervention programs, special edu-
19 cation programs for prekindergarten handicapped children, serv-
20 ices for children with developmental disabilities, full-time and
21 part-time programs, before-school and after-school programs,
22 vacation care programs, parent education, and related family sup-
23 port services. The resource file shall include, but not be
24 limited to:

25 (i) Type of program.

26 (ii) Hours of service.

- 1 (iii) Ages of children served.
- 2 (iv) Number of children served.
- 3 (v) Significant program information.
- 4 (vi) Fees and eligibility for services.
- 5 (vii) Availability of transportation.
- 6 (b) The establishment of a referral process which responds
- 7 to parental need for information and which is provided with full
- 8 recognition of the confidentiality rights of parents. Resource
- 9 and referral programs shall make referrals to licensed child care
- 10 facilities. Referrals shall be made to an unlicensed child care
- 11 facility or arrangement only if there is no requirement that the
- 12 facility or arrangement be licensed.
- 13 (c) Maintenance of ongoing documentation of requests for
- 14 service tabulated through the internal referral process. The
- 15 following documentation of requests for service shall be main-
- 16 tained by all child care resource and referral agencies:
- 17 (i) Number of calls and contacts to the child care informa-
- 18 tion and referral agency component by type of service requested.
- 19 (ii) Ages of children for whom service was requested.
- 20 (iii) Time category of child care requests for each child.
- 21 (iv) Special time category, such as nights, weekends, and
- 22 swing shift.
- 23 (v) Reason that the child care is needed.
- 24 (vi) Name of the employer and primary focus of the
- 25 business.

1 (d) Provision of technical assistance to existing and
2 potential providers of child care services. This assistance may
3 include:

4 (i) Information on initiating new child care services,
5 zoning, and program and budget development and assistance in
6 finding such information from other sources.

7 (ii) Information and resources which help existing child
8 care services providers to maximize their ability to serve chil-
9 dren and parents in their community.

10 (iii) Information and incentives that could help existing or
11 planned child care services offered by public or private employ-
12 ers seeking to maximize their ability to serve the children of
13 their working parent employees in their community, through con-
14 tractual or other funding arrangements with businesses.

15 (e) Assistance to families and employers in applying for
16 various sources of subsidy including, but not limited to, subsi-
17 dized child care, head start, prekindergarten early intervention
18 programs, private scholarships, and the federal dependent care
19 tax credit.

20 (f) Assistance to state agencies in determining the market
21 rate for child care.

22 (g) Assistance in negotiating discounts or other special
23 arrangements with child care providers.

24 (h) Information and assistance to local interagency councils
25 coordinating services for prekindergarten handicapped children.

26 (i) Assistance to families in identifying summer recreation
27 camp and summer day camp programs and in evaluating the health

1 and safety qualities of summer recreation camp and summer day
2 camp programs and in evaluating the health and safety qualities
3 of summer camp programs. Contingent upon specific appropriation,
4 a checklist of important health and safety qualities that parents
5 can use to choose their summer camp programs shall be developed
6 and distributed in a manner that will reach parents interested in
7 such programs for their children.

8 (j) A child care facility licensed under section 5 and
9 licensed and registered family day care homes must provide the
10 statewide child care and resource and referral agencies with the
11 following information annually:

- 12 (i) Type of program.
13 (ii) Hours of service.
14 (iii) Ages of children served.
15 (iv) Fees and eligibility for services.

16 Sec. 41. (1) As part of the gold seal quality care program,
17 the department shall develop a 3-tiered quality rating system for
18 subsidized child care providers, with the highest quality rating
19 given to qualified child care providers who receive the gold seal
20 quality care designation according to this section.

21 (2) Child care facilities, large family child care homes, or
22 family day care homes that are accredited by a nationally recog-
23 nized accrediting association whose standards substantially meet
24 or exceed the national association for the education of young
25 children (NAEYC), the national association of family child care,
26 and the national early childhood program accreditation commission
27 shall receive a separate "gold seal quality care" designation to

1 operate as a gold seal child care facility, large family child
2 care home, or family day care home.

3 (3) In developing the gold seal quality care program stan-
4 dards, the department shall consult with the department of educa-
5 tion, the Michigan head start directors association, the Michigan
6 association of child care management, the Michigan family day
7 care association, the Michigan children's forum, the state coor-
8 dinating council for school readiness programs, the early child-
9 hood association of Michigan, the national association for child
10 development education, providers receiving exemptions under the
11 rules promulgated by the director for child care personnel
12 employment screening, and parents, for the purpose of approving
13 the accrediting associations.

14 Sec. 42. (1) For the purpose of this section, a child care
15 facility or family day care home meeting the standards to provide
16 quality child care to at-risk and disabled preschool children, as
17 determined by the Michigan literacy progress profile, shall be
18 referred to as "child care plus".

19 (2) In addition to the licensing requirements and standards
20 in section 5, a child care facility or family day care home shall
21 meet additional requirements and standards and shall receive a
22 separate and distinct license to operate as a child care plus
23 facility or home.

24 (3) The child care quality standards for a child care plus
25 facility or home shall be developed by the department, in consul-
26 tation with the department of education, and shall address, but
27 not be limited to, the following areas:

1 (a) Child development, including language, cognitive, motor,
2 social, and self-help skill development.

3 (b) Child health.

4 (c) Family counseling.

5 (d) Parent training.

6 (e) Child nutrition.

7 (f) Staff credentials.

8 (4) A facility or home that has received a separate and dis-
9 tinct license indicating that it is a child care plus facility or
10 home may apply, either directly or, in the case of a family day
11 care home, through an agency representing a network of family day
12 care homes, to the department for a 1-year child care plus
13 grant. The grant shall be considered a supplement to the oper-
14 ational costs associated with compliance with child care plus
15 requirements.

16 (5) Each child care facility, home, or agency representing a
17 network of family day care homes wishing to apply for a child
18 care plus grant shall submit a grant proposal for funding to the
19 department no later than March 1, 2001. Thereafter, each facili-
20 ty, home, or agency wishing to apply for continued funding
21 through an annual child care plus grant shall apply to the
22 department no later than March 1 of each year.

23 (6) A facility, home, or agency on behalf of a network of
24 family day care homes that applies for a child care plus grant
25 shall be required to demonstrate the following in order to qual-
26 ify for a grant:

1 (a) Linkages with local education agencies, social service
2 agencies, and health care systems, as well as with state service
3 systems, in order to provide the services needed for children in
4 their care and the families of those children, and to provide the
5 necessary linkages with various forms of case management, assess-
6 ment, and family support systems.

7 (b) Linkages with or plans for linkages with the private
8 sector, in order to enhance the efforts to better serve the chil-
9 dren in their care and the families of those children.

10 (c) Ability to ensure for children in their care continuity
11 of services and ease of transition between the facility and home
12 or homes and between the facility, home or homes, and preschool
13 and prekindergarten programs serving high-risk and handicapped
14 children.

15 Sec. 43. (1) It is the purpose of this act to establish
16 statewide minimum standards for the care and protection of chil-
17 dren in child care facilities, to ensure maintenance of these
18 standards, and to approve county administration and enforcement
19 to regulate conditions in such facilities through a program of
20 licensing.

21 (2) It is the intent of the legislature that all owners,
22 operators, and child care personnel shall be of good moral
23 character.

24 (3) It shall be the policy of the state to ensure protection
25 of children and to encourage child care providers and parents to
26 share responsibility for and to assist in the improvement of
27 child care programs.

1 (4) It shall be the policy of the state to promote public
2 and private employer initiatives to establish day care services
3 for their employees.

4 (5) It is the further legislative intent that the freedom of
5 religion of all citizens shall be inviolate. Nothing in this act
6 shall give any governmental agency jurisdiction or authority to
7 regulate, supervise, or in any way be involved in any Sunday
8 school, sabbath school, or religious services or any nursery
9 service or other program conducted during religious or church
10 services primarily for the convenience of those attending such
11 services.

12 (6) It is further the intent that membership organizations
13 affiliated with national organizations that do not provide child
14 care, whose primary purpose is providing activities that contrib-
15 ute to the development of good character or good sportsmanship or
16 to the education or cultural development of minors in this state,
17 which charge only a nominal annual membership fee, which are not
18 for profit, and which are certified by their national associa-
19 tions as being in compliance with the association's minimum stan-
20 dards and procedures shall not be considered child care facili-
21 ties and therefore, their personnel shall not be required to be
22 screened.

23 (7) It shall be the policy of the state to encourage child
24 care providers to serve children with disabilities. When
25 requested, the department shall provide technical assistance to
26 parents and child care providers in order to facilitate serving
27 children with disabilities.

1 Sec. 44. (1) Contingent upon specific appropriations, the
2 department is directed to contract with the statewide resource
3 information and referral agency for a statewide toll-free
4 warm-line for the purpose of providing assistance and consulta-
5 tion to child care centers and family day care homes regarding
6 health, developmental, disability, and special needs issues of
7 the children they are serving, particularly children with dis-
8 abilities and other special needs.

9 (2) The purpose of the warm-line is to provide advice to
10 child care personnel concerning strategies, curriculum, and envi-
11 ronmental adaptations that allow a child to derive maximum bene-
12 fit from the child care experience.

13 (3) The department shall inform child care centers and
14 family day care homes of the availability of this service, on an
15 annual basis.

16 (4) Contingent upon specific appropriations, the department
17 shall expand or contract for the expansion of the warm-line from
18 1 statewide site to 1 warm-line site in each child care resource
19 and referral agency region.

20 (5) Each regional warm-line shall provide assistance and
21 consultation to child care centers and family day care homes
22 regarding health, developmental, disability, and special needs
23 issues of the children they are serving, particularly children
24 with disabilities and other special needs. Regional warm-line
25 staff shall provide on-site technical assistance, when requested,
26 to assist child care centers and family day care homes with
27 inquiries relative to the strategies, curriculum, and

1 environmental adaptations the child care centers and family day
2 care homes may need as they serve children with disabilities and
3 other special needs.

4 Sec. 45. (1) The purpose of the subsidized child care pro-
5 gram is to provide quality child care to enhance the development,
6 including language, cognitive, motor, social, and self-help
7 skills of children who are at risk of abuse or neglect and chil-
8 dren of low-income families, and to promote financial
9 self-sufficiency and life skills for the families of these chil-
10 dren, unless prohibited by federal law. Priority for participa-
11 tion in the subsidized child care program shall be given to chil-
12 dren under 13 years of age who are all of the following:

13 (a) Determined to be at risk of abuse, neglect, or
14 exploitation.

15 (b) Children at risk of welfare dependency, including chil-
16 dren of participants in the welfare transition program, children
17 of migrant farmworkers, children of teen parents, and children
18 from other families at risk of welfare dependency due to a family
19 income of less than 100% of the federal poverty level.

20 (c) Children of working families whose family income is
21 equal to or greater than 100%, but does not exceed 150%, of the
22 federal poverty level. The department may extend eligibility to
23 children of working families who are currently in subsidized
24 child care and whose family income does not exceed 200% of the
25 federal poverty level.

26 (d) Children of working families enrolled in the
27 public/private partnership program for high quality early

1 childhood education and care whose family income does not exceed
2 200% of the federal poverty level.

3 (e) Children of working families who participate in the
4 diversion program to strengthen Michigan's families under the
5 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

6 (2) To the extent resources are available, each child in a
7 family that is eligible may participate in the subsidized child
8 care program.

9 (3) Transitional child care shall be available for up to 2
10 years after eligibility for the WAGES program ends, at which time
11 child care may continue under subsection (1)(b) or (c), as
12 applicable.

13 (4) A child who is eligible for child care under this sec-
14 tion may continue to participate in the subsidized child care
15 program, if the family's income does not exceed 185% of the fed-
16 eral poverty level.

17 (5) The department shall establish a fee schedule for par-
18 ticipants in the subsidized child care program. The fee schedule
19 must be based on the total income of the family. Each partici-
20 pating family shall contribute to the cost of child care, unless
21 prohibited by federal law.

22 (6) Child care services, unless directly operated by a com-
23 munity child care coordinating agency, shall be provided under a
24 service agreement or by voucher, which ensures, to the maximum
25 extent possible, parental choice through flexibility in child
26 care arrangements and payment arrangements. When used, a voucher
27 must bear the name of the beneficiary and the child care provider

1 and, when redeemed, must bear the signature of both the
2 beneficiary and an authorized representative of the child care
3 provider. If it is determined that a child care provider has
4 provided any cash to the beneficiary in return for receiving the
5 voucher, the license for each child care facility operated by the
6 provider shall be immediately revoked and any facility operated
7 by the provider is ineligible for relicensure for 3 years.
8 Whether or not the provider is licensed, the department shall
9 refer the matter to the department of state police for
10 investigation.

11 (7) The community child care coordinating agency shall moni-
12 tor child care providers to ensure that appropriate services are
13 provided.

14 (8) Public funds may not be expended to a provider unless
15 the provider agrees to allow the community child care coordinat-
16 ing agency access to fulfill its monitoring requirements.

17 (9) A licensed child care facility that provides contracted
18 services under the subsidized child care program must provide at
19 least 10 hours of child care each day, 261 days per year, exclud-
20 ing approved holidays.

21 (10) The insurance division shall provide coverage through
22 the department to the community child care coordinating agencies
23 for the subsidized child care program. The coverage shall be
24 provided from the general liability account of the trust fund to
25 be developed under this act by the director of the department's
26 day care licensing division in collaboration with the Michigan
27 community coordinated child care (4C) association, the

1 public/private partnership for high quality early childhood
2 education and care program, and a multipurpose collaborative
3 body, and the coverage shall be primary. The coverage is limited
4 to general liability claims arising from the management of the
5 subsidized child care program under a contract with the depart-
6 ment and under guidelines established through policy, rule, or
7 law. Coverage shall be limited as provided in the trust fund
8 program to be established as described in this section, and the
9 exclusions provided in that program, together with other exclu-
10 sions that are set forth in the certificate of coverage issued by
11 the trust fund, shall apply. A community child care coordinating
12 agency covered under the general liability account pursuant to
13 this subsection shall immediately notify the insurance division
14 of any potential or actual claim.

15 (11) To the extent funds are available, the department shall
16 contract for support services for children who are clients of the
17 department's child care services program office and who partici-
18 pate in the subsidized child care program. Support services
19 shall include, but need not be limited to, transportation, child
20 development programs, child nutrition services, and parent train-
21 ing and family counseling activities.

22 (12) The community child care coordinating agencies shall
23 assist participants in the welfare transition program and former
24 participants of the program who are eligible for subsidized child
25 care in developing cooperative child care arrangements whereby
26 participants support and assist one another in meeting child care
27 needs at minimal cost to the individual participant.

1 (13) The central agency for state subsidized child care or
2 the local service district of the department shall cooperate with
3 the local interagency coordinating council in the development of
4 written collaborative agreements with each local school
5 district.

6 (14) The central agency shall develop in consultation with
7 the local interagency council a plan for implementing and con-
8 ducting a child care program. Such plan shall include the tenta-
9 tive budget and measures for maximizing public resources.

10 (15) The department shall monitor each subsidized child care
11 provider at least annually to determine compliance with the col-
12 laborative agreement facilitated by the local interagency coordi-
13 nating council. If a provider fails to bring its program into
14 compliance with the agreement or the plan within 3 months after
15 an evaluation citing deficiencies, the department must withhold
16 such administrative funds as have been allocated to the program
17 and which have not yet been released.

18 (16) A family that is eligible to participate in the subsi-
19 dized child care program shall be considered a needy family for
20 purposes of the program funded through the federal temporary
21 assistance for needy families (TANF) block grant, to the extent
22 permitted by the appropriation of funds.

23 (17) The individual records of children enrolled in subsi-
24 dized child care programs are confidential and are exempt from
25 the provisions of the freedom of information act, 1976 PA 442,
26 MCL 15.231 to 15.246. For the purposes of this subsection,
27 records include assessment data, health data, records of teacher

1 observations, and identifying data, including the child's social
2 security number. A parent, guardian, or individual acting as a
3 parent in the absence of a parent or guardian has the right to
4 inspect and review the individual subsidized child care record of
5 his or her child and to obtain a copy of the record. The school
6 readiness coalition and the Michigan partnership for school read-
7 iness shall have access to individual children's records neces-
8 sary to carry out their assigned duties.

9 Enacting section 1. 1973 PA 116, MCL 722.111 to 722.128, is
10 repealed.