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BILL



ANALYSIS

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Senate Bill 723 (Substitute S-1 as reported)
Senate Bill 724 (Sub. S-2 as reported by the Committee of the Whole)
Sponsor: Senator Tupac A. Hunter (S.B. 723)
Senator Mark C. Jansen (S.B. 724)
Committee: Families and Human Services

(as enacted)
(as enacted)

Date Completed: 2-4-10

RATIONALE

The child care licensing Act requires that a child care center or a group child care home maintain a license with the Department of Human Services (DHS), and a family child care home must be registered under the Act. (For a description of those facilities, please see **BACKGROUND.**) A licensed or registered child care center or home must undergo periodic inspections and meet other requirements in order to maintain the license or registration. In addition, the DHS may investigate complaints regarding a child care center or home, and take appropriate action. The law requires information regarding DHS inspections and investigations to be made available on the Department's website, and if a child care center or home is the subject of an investigation, the licensee or registrant must notify the parents or guardian of all children under its care. Parents seeking a child care provider, however, might not have access to that information when making a decision. Some are concerned that the available information is often incomplete or difficult to obtain. It has been suggested that additional disclosure requirements should be implemented to ensure that parents have adequate information when evaluating a child care provider.

CONTENT

Senate Bill 723 (S-1) would amend the child care licensing Act to do the following:

- **Require the operator of a child care center, group child care home, or**

family child care home to maintain on its premises a licensing notebook that included reports from all licensing inspections and special investigations, and a summary sheet outlining those reports.

- **Prohibit the DHS from issuing or renewing a license or registration of a child care center, group child care home, or family child care home if its license or registration previously had been revoked for a violation that resulted in the serious injury or death of a child in its care.**

Senate Bill 724 (S-2) would amend the child care licensing Act to require the DHS to include the following information in its database of child care centers, family child care homes, and group child care homes:

- **The number and nature of any special high-risk investigations regarding a center or home.**
- **Information that, upon completion of an investigation, the DHS had determined that there were no substantiated rule violations.**

The bills are described in detail below.

Senate Bill 723 (S-1)

The bill would require the operator of a child care center, group child care home, or family child care home to maintain on its premises a licensing notebook, which would have to be made available for review to

parents or guardians of children under the care of the center or home, and parents or guardians considering placing their children in its care.

The notebook would have to include the reports from all licensing or registration inspections, renewal inspections, special investigations, and corrective action plans. It also would have to include a summary sheet outlining those reports. The information in the notebook would have to be updated regularly and be made available at all times during the facility's normal hours of operation.

The DHS would have to include on its "child in care/receipt" form or any successor form a check box allowing the parent or guardian to acknowledge that he or she was aware of the information available in the licensing notebook, and that the information was available on the Department's website. The form would have to contain in bold print the DHS website address where the information could be located.

The DHS could not issue or renew a license or certificate of registration of a child care center, group child care home, or family child care home if the licensee, registrant, or applicant had had a previous license or registration revoked for a violation of the Act, the rules promulgated under the Act, or the terms of the license or registration that resulted in the serious injury or death of a child while under its care.

Senate Bill 724 (S-2)

The Act requires the DHS to maintain a database of child care centers, family child care homes, and group child care homes as a central clearinghouse for those seeking information on child care options. The database must include the following information regarding the child care center, family child care home, or group child care home:

- Its name, address, and telephone number.
- Its license or registration number, effective date, and expiration date.
- The number and nature of any adverse action taken against it by the DHS.

Under the bill, the database also would have to include the number and nature of any

special investigations regarding the facility conducted by the DHS that the Department classified as high risk. That information would have to remain in the database as long as the licensee or registrant was licensed or registered under the Act.

"Special investigation that the department classifies as high risk" would mean one in which the DHS becomes aware that one or more of the following conditions exist:

- Abuse or neglect is the suspected cause of a child's death.
- Abuse or neglect resulted in severe physical injury to a child.
- A child is the victim of suspected sexual abuse or exploitation.

The database also would have to include information that, upon completion of a special investigation, the DHS had determined that there were no substantiated rule violations. That information could be included in the same manner as is required for information regarding an investigation of a child care organization. (Under the Act, if the DHS conducts a special high-risk investigation of a child care organization and determines that there are no substantiated rule violations, it must make that information available to the public on the DHS website.)

MCL 722.121 et al. (S.B. 723)
722.121b (S.B. 724)

BACKGROUND

Under the child care licensing Act, a child care center is a facility, other than a private residence, that receives one or more children for care for less than 24 hours a day, where the parents or guardians are not immediately available to the child. The term includes a facility that provides care for at least two consecutive weeks, regardless of the number of hours of care per day.

A family child care home is a private home in which at least one but fewer than seven children are received for care and supervision for compensation for less than 24 hours a day, unattended by a parent or guardian, for more than four weeks in a calendar year.

A group child care home is a private home in which more than six but not more than 12

children are given care and supervision for less than 24 hours a day, unattended by a parent or guardian, for more than four weeks in a calendar year.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

In 2007, a mother living in Jackson County selected a child care provider, reportedly based on a list provided by the DHS and a review of the facility. Six days later, her child died of asphyxiation while under the provider's care. During the investigation she discovered that another child had died in the same home in 1998, of Sudden Infant Death Syndrome. That information was not made available to her when she was deciding where to place her son. Parents in search of a child care provider need to have all relevant information regarding a facility's record in order to make an informed decision. Also, providing that information allows those with strong records to distinguish themselves as high-quality child care providers.

The State has established a database of information regarding child care centers and homes, but the information in the database is incomplete. Inspection reports are maintained only until the next inspection is conducted, so parents have no way of obtaining information about violations that were found during prior inspections. Senate Bill 724 (S-2) would require the database to include notice if a center or home had been the subject of a special high-risk investigation involving the serious injury or death of a child or allegations of sexual abuse or exploitation. If the investigation resulted in no substantiated findings, the Department would have to make that information available as well, to protect the reputation of the registrant or licensee.

Since not all parents have access to the internet, the licensing notebook required under Senate Bill 723 (S-1) would provide another way for parents to obtain access to inspection and investigation reports. A provider's notebook would have to include detailed information on previous DHS inspections and any investigations of the home or center, including incidents involving

the serious injury or death of a child. Although a child care provider already must give notice of an investigation to parents and guardians of children in the facility, the bill would ensure that the information was available to prospective customers as well. While the details of an investigation are confidential, parents deserve to know that an investigation is being conducted, when it is concluded, and whether there were any findings.

Parents would have the opportunity to review the information in the notebook and could ask follow-up questions if needed, in a setting where the licensee or registrant could explain the circumstances surrounding any incidents described. In that way, all the relevant information would become available, enabling the parents to make the appropriate choice for their children. The notebook also would have to include any corrective action plans submitted by the registrant or licensee in response to an inspection, which currently are not available through the database. That information could be instrumental in helping parents select a reliable child care provider.

Legislative Analyst: Curtis Walker

FISCAL IMPACT

Senate Bill 723 (S-1)

The Department of Human Services could see a small, indeterminate increase in cost associated with modifying the Child in Care/Receipt form and adjusting procedures for the inspection of licensed child day care facilities to meet the requirement of the bill.

Senate Bill 724 (S-2)

Discussions with the Department of Human Services suggest that modifications to the database of licensed child care facilities to meet the requirements of Senate Bill 724 (S-2) could be accomplished without significant increase in staff or information technology resources. This suggests that there would be little to no fiscal impact associated with the bill.

Fiscal Analyst: David Fosdick

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.