

## LICENSURE OF CHILD CARE CENTERS IN MULTIPLE OCCUPANCY BUILDINGS

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**House Bill 5048 (H-1) as reported from committee**  
**Sponsor: Rep. John R. Roth**  
**Committee: Families, Children, and Seniors**  
**Complete to 10-5-21**

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Act 113 of 2022)*

### SUMMARY:

House Bill 5048 would amend 1973 PA 116, known as the child care licensing act, to provide requirements for the licensure of a *child care center* located in a multiple occupancy building. The bill would rescind an administrative rule that now addresses such situations. In addition, a currently licensed child care center located in a multiple occupancy building would have to notify the Department of Licensing and Regulatory Affairs (LARA) if there has been a change in building occupancy or use since its license was issued.

*Child care center*<sup>1</sup> means a facility that is not a private home that receives one or more children under 13 years of age for care for periods of less than 24 hours a day. Child care center includes a facility that provides care at least two consecutive weeks, regardless of the number of hours of care per day. The facility is generally described as a child care center, day care center, day nursery, nursery school, parent cooperative preschool, play group, before- or after-school program, or drop-in center.

R 400.8560 of the Michigan Administrative Code<sup>2</sup> currently provides the following regarding the licensure of child care centers in a multiple occupancy building:

- Multiple occupancy of a building may qualify for licensure if the entire building does not present a life safety hazard. A center currently licensed in such a building may continue as long as such occupancies do not change in character.
- A building, part of which is used for hazardous operations or for occupancy that is unpredictable, such as taverns, garages, repair shops, and industrial operations, is not permitted for center use. However, an exception may be made for a vocational education center approved by LARA.

The bill would rescind this rule.

Beginning 90 days after the bill's effective date, LARA would have to require each applicant seeking licensure as a child care center in a multiple occupancy building to clearly state on the application that it will be located in a multiple occupancy building and describe

<sup>1</sup> For the full definition, see <http://legislature.mi.gov/doc.aspx?mcl-722-111>

<sup>2</sup> See page 40: [https://www.michigan.gov/documents/lara/BCAL\\_PUB\\_8\\_3\\_16\\_523999\\_7.pdf](https://www.michigan.gov/documents/lara/BCAL_PUB_8_3_16_523999_7.pdf)

the nature and character of each of the other occupants in that building and the occupant use of the building.

Before issuing or renewing a license or provisional license to a child care center located in a multiple occupancy building, LARA would have to inspect the location to verify that reasonable mitigation measures are in place to protect the health, safety, and well-being of children who are or will be under the care of the child care center. As a condition of licensure for a child care center located in a multiple occupancy building, LARA could require it to do all of the following:

- Use reasonable measures to mitigate any significant risk associated with other occupants of the building.
- Ensure that the child care center is self-contained, with bathrooms located in the child care center.
- Secure the child care center against unauthorized entry during hours of operation.
- Ensure that the child care center is separated from hazardous operations.
- If alcohol is served in the building, ensure that it is not transported or consumed in the child care center during hours of operation.
- If an outdoor area is available and shared, ensure that there is a set schedule to keep the children separate from other occupants of the building.
- Satisfy any other reasonable staffing, program, or operational requirements that LARA determines necessary to protect children in the care of the child care center from any serious risk of harm that may stem from being in a multiple occupancy building.
- Require the licensee to notify LARA within 90 days of a change of occupants or occupant use in the building.

The child care center hours of operation would not determine the hours of operation for the other occupants of a multiple occupancy building, including those that serve alcohol.

Finally, within 90 days after the bill's effective date, a child care center that is currently licensed and located in a multiple occupancy building would have to notify LARA if there has been any change in occupancy or use by occupants in the building since its license was issued. The notification would have to be provided in a form and manner prescribed by LARA.

Proposed MCL 722.118e

## **FISCAL IMPACT:**

House Bill 5048 would likely result in indeterminate cost increases for LARA. The bill would require additional staff time for inspections and reviewing provider submissions, but the amount of this increase is indeterminate and thus the cost is also presently indeterminate. The bill would not have a fiscal impact on any other units of state or local government.

## **POSITIONS:**

A representative of the Grand Rapids Chamber testified in support of the bill. (9-28-21)

The following entities indicated support for the bill:

- Department of Licensing and Regulatory Affairs (9-21-21)
- Department of Education (9-21-21)
- Detroit Regional Chamber (9-21-21)
- Michigan Chamber (9-21-21)
- Northern Michigan Chamber Alliance (9-21-21)
- Talent 2025 (9-21-21)
- Michigan League for Public Policy (9-28-21)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.