

**HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 438**

A bill to amend 1973 PA 116, entitled

"An act 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,"

by amending sections 1 and 5 (MCL 722.111 and 722.115), as amended by 2010 PA 379.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. (1) As used in this act:

2       (a) "Child care organization" means a governmental or  
3       nongovernmental organization having as its principal function  
4       receiving minor children for care, maintenance, training, and  
5       supervision, notwithstanding that educational instruction may be  
6       given. Child care organization includes organizations commonly

1 described as child caring institutions, child placing agencies,  
2 children's camps, children's campsites, children's therapeutic  
3 group homes, child care centers, day care centers, nursery schools,  
4 parent cooperative preschools, foster homes, group homes, or child  
5 care homes. Child care organization does not include a governmental  
6 or nongovernmental organization that does either of the following:

7 (i) Provides care exclusively to minors who have been  
8 emancipated by court order under section 4(3) of 1968 PA 293, MCL  
9 722.4.

10 (ii) Provides care exclusively to persons who are 18 years of  
11 age or older and to minors who have been emancipated by court order  
12 under section 4(3) of 1968 PA 293, MCL 722.4, at the same location.

13 (b) "Child caring institution" means a child care facility  
14 that is organized for the purpose of receiving minor children for  
15 care, maintenance, and supervision, usually on a 24-hour basis, in  
16 buildings maintained by the child caring institution for that  
17 purpose, and operates throughout the year. An educational program  
18 may be provided, but the educational program shall not be the  
19 primary purpose of the facility. Child caring institution includes  
20 a maternity home for the care of unmarried mothers who are minors  
21 and an agency group home, that is described as a small child caring  
22 institution, owned, leased, or rented by a licensed agency  
23 providing care for more than 4 but less than 13 minor children.  
24 Child caring institution also includes institutions for mentally  
25 retarded or emotionally disturbed minor children. Child caring  
26 institution does not include a hospital, nursing home, or home for  
27 the aged licensed under article 17 of the public health code, 1978

1 PA 368, MCL 333.20101 to 333.22260, a boarding school licensed  
2 under section 1335 of the revised school code, 1976 PA 451, MCL  
3 380.1335, a hospital or facility operated by the state or licensed  
4 under the mental health code, 1974 PA 258, MCL 330.1001 to  
5 330.2106, or an adult foster care family home or an adult foster  
6 care small group home licensed under the adult foster care facility  
7 licensing act, 1979 PA 218, MCL 400.701 to 400.737, in which a  
8 child has been placed under section 5(6).

9 (c) "Child placing agency" means a governmental organization  
10 or an agency organized under the nonprofit corporation act, 1982 PA  
11 162, MCL 450.2101 to 450.3192, for the purpose of receiving  
12 children for placement in private family homes for foster care or  
13 for adoption. The function of a child placing agency may include  
14 investigating applicants for adoption and investigating and  
15 certifying foster family homes and foster family group homes as  
16 provided in this act. The function of a child placing agency may  
17 also include supervising children who are ~~16 or 17~~ **AT LEAST 16 BUT**  
18 **LESS THAN 21** years of age and who are living in unlicensed  
19 residences as provided in section 5(4).

20 (d) "Children's camp" means a residential, day, troop, or  
21 travel camp that provides care and supervision and is conducted in  
22 a natural environment for more than 4 children, apart from the  
23 children's parents, relatives, or legal guardians, for 5 or more  
24 days in a 14-day period.

25 (e) "Children's campsite" means the outdoor setting where a  
26 children's residential or day camp is located.

27 (f) "Children's therapeutic group home" means a child caring

1 institution receiving not more than 6 minor children who are  
2 diagnosed with a developmental disability as defined in section  
3 100a of the mental health code, 1974 PA 258, MCL 330.1100a, or a  
4 serious emotional disturbance as defined in section 100d of the  
5 mental health code, 1974 PA 258, MCL 330.1100d, ~~or a children's~~  
6 ~~therapeutic group home~~ **AND THAT** meets all of the following  
7 requirements:

8 (i) Provides care, maintenance, and supervision, usually on a  
9 24-hour basis.

10 (ii) Complies with the rules for child caring institutions,  
11 except that behavior management rooms, personal restraint,  
12 mechanical restraint, or seclusion, which is allowed in certain  
13 circumstances under licensing rules, are prohibited in a children's  
14 therapeutic group home.

15 (iii) Is not a private home.

16 (iv) Is not located on a campus with other licensed facilities.

17 (g) "Child care center" or "day care center" means a facility,  
18 other than a private residence, receiving 1 or more preschool or  
19 school-age children for care for periods of less than 24 hours a  
20 day, where the parents or guardians are not immediately available  
21 to the child. Child care center or day care center includes a  
22 facility that provides care for not less than 2 consecutive weeks,  
23 regardless of the number of hours of care per day. The facility is  
24 generally described as a child care center, day care center, day  
25 nursery, nursery school, parent cooperative preschool, play group,  
26 before- or after-school program, or drop-in center. Child care  
27 center or day care center does not include any of the following:

1           (i) A Sunday school, a vacation bible school, or a religious  
2 instructional class that is conducted by a religious organization  
3 where children are attending for not more than 3 hours per day for  
4 an indefinite period or for not more than 8 hours per day for a  
5 period not to exceed 4 weeks during a 12-month period.

6           (ii) A facility operated by a religious organization where  
7 children are in the religious organization's care for not more than  
8 3 hours while persons responsible for the children are attending  
9 religious services.

10          (iii) A program that is primarily supervised, school-age-child-  
11 focused training in a specific subject, including, but not limited  
12 to, dancing, drama, music, or religion. This exclusion applies only  
13 to the time a child is involved in supervised, school-age-child-  
14 focused training.

15          (iv) A program that is primarily an incident of group athletic  
16 or social activities for school-age children sponsored by or under  
17 the supervision of an organized club or hobby group, including, but  
18 not limited to, youth clubs, scouting, and school-age recreational  
19 or supplementary education programs. This exclusion applies only to  
20 the time the school-age child is engaged in the group athletic or  
21 social activities and if the school-age child can come and go at  
22 will.

23          (h) "Department" means the department of human services or a  
24 successor agency or department responsible for licensure and  
25 registration under this act.

26          (i) "Private home" means a private residence in which the  
27 licensee or registrant permanently resides as a member of the

1 household, which residency is not contingent upon caring for  
2 children or employment by a licensed or approved child placing  
3 agency. Private home includes a full-time foster family home, a  
4 full-time foster family group home, a group child care home, or a  
5 family child care home, as follows:

6 (i) "Foster family home" ~~is~~ **MEANS** a private home in which 1 but  
7 not more than 4 minor children, who are not related to an adult  
8 member of the household by blood or marriage, or who are not placed  
9 in the household under the Michigan adoption code, chapter X of the  
10 probate code of 1939, 1939 PA 288, MCL 710.21 to 710.70, are given  
11 care and supervision for 24 hours a day, for 4 or more days a week,  
12 for 2 or more consecutive weeks, unattended by a parent, legal  
13 guardian, or legal custodian.

14 (ii) "Foster family group home" means a private home in which  
15 more than 4 but fewer than 7 minor children, who are not related to  
16 an adult member of the household by blood or marriage, or who are  
17 not placed in the household under the Michigan adoption code,  
18 chapter X of the probate code of 1939, 1939 PA 288, MCL 710.21 to  
19 710.70, are provided care for 24 hours a day, for 4 or more days a  
20 week, for 2 or more consecutive weeks, unattended by a parent,  
21 legal guardian, or legal custodian.

22 (iii) "Family child care home" means a private home in which 1  
23 but fewer than 7 minor children are received for care and  
24 supervision for compensation for periods of less than 24 hours a  
25 day, unattended by a parent or legal guardian, except children  
26 related to an adult member of the family by blood, marriage, or  
27 adoption. Family child care home includes a home in which care is

1 given to an unrelated minor child for more than 4 weeks during a  
2 calendar year. A family child care home does not include an  
3 individual providing babysitting services for another individual.  
4 As used in this subparagraph, "providing babysitting services"  
5 means caring for a child on behalf of the child's parent or  
6 guardian when the annual compensation for providing those services  
7 does not equal or exceed \$600.00 or an amount that would according  
8 to the internal revenue code of 1986 obligate the child's parent or  
9 guardian to provide a form 1099-MISC to the individual for  
10 compensation paid during the calendar year for those services.

11 (iv) "Group child care home" means a private home in which more  
12 than 6 but not more than 12 minor children are given care and  
13 supervision for periods of less than 24 hours a day unattended by a  
14 parent or legal guardian, except children related to an adult  
15 member of the family by blood, marriage, or adoption. Group child  
16 care home includes a home in which care is given to an unrelated  
17 minor child for more than 4 weeks during a calendar year.

18 (j) "Legal custodian" means an individual who is at least 18  
19 years of age in whose care a minor child remains or is placed after  
20 a court makes a finding under section 13a(5) of chapter XIIIA of the  
21 probate code of 1939, 1939 PA 288, MCL 712A.13a.

22 (k) "Licensee" means a person, partnership, firm, corporation,  
23 association, nongovernmental organization, or local or state  
24 government child care organization that has been issued a license  
25 under this act to operate a child care organization.

26 (l) "Provisional license" means a license issued to a child  
27 care organization that is temporarily unable to conform to all of

1 the rules promulgated under this act.

2 (m) "Regular license" means a license issued to a child care  
3 organization indicating that the organization is in compliance with  
4 all rules promulgated under this act.

5 (n) "Guardian" means the guardian of the person.

6 (o) "Minor child" means any of the following:

7 (i) A person less than 18 years of age.

8 **(ii) A PERSON WHO IS A RESIDENT IN A CHILD CARING INSTITUTION,**  
9 **FOSTER FAMILY HOME, OR FOSTER FAMILY GROUP HOME, WHO IS AT LEAST 18**  
10 **BUT LESS THAN 21 YEARS OF AGE, AND WHO MEETS THE REQUIREMENTS OF**  
11 **THE YOUNG ADULT VOLUNTARY FOSTER CARE ACT.**

12 **(iii) ~~(ii)~~**A person who is a resident in a child caring  
13 institution, children's camp, foster family home, or foster family  
14 group home; who becomes 18 years of age while residing in ~~the~~**A**  
15 child caring institution, children's camp, foster family home, or  
16 foster family group home; and who continues residing in ~~the~~**A** child  
17 caring institution, children's camp, foster family home, or foster  
18 family group home to receive care, maintenance, training, and  
19 supervision. A minor child under this subparagraph does not include  
20 a person 18 years of age or older who is placed in a child caring  
21 institution, foster family home, or foster family group home under  
22 an adjudication under section 2(a) of chapter XIIA of the probate  
23 code of 1939, 1939 PA 288, MCL 712A.2, or **UNDER** section 1 of  
24 chapter IX of the code of criminal procedure, 1927 PA 175, MCL  
25 769.1. This subparagraph applies only if the number of those  
26 residents who become 18 years of age does not exceed the following:

27 (A) Two, if the total number of residents is 10 or fewer.



1 (B) Three, if the total number of residents is not less than  
2 11 and not more than 14.

3 (C) Four, if the total number of residents is not less than 15  
4 and not more than 20.

5 (D) Five, if the total number of residents is 21 or more.

6 (iv) ~~(iii)~~—A person 18 years of age or older who is placed in **AN**  
7 **UNLICENSED RESIDENCE UNDER SECTION 5(4) OR** a foster family home  
8 under section 5(7).

9 (p) "Registrant" means a person who has been issued a  
10 certificate of registration under this act to operate a family  
11 child care home.

12 (q) "Registration" means the process by which the department  
13 regulates family child care homes, and includes the requirement  
14 that a family child care home certify to the department that the  
15 family child care home has complied with and will continue to  
16 comply with the rules promulgated under this act.

17 (r) "Certificate of registration" means a written document  
18 issued under this act to a family child care home through  
19 registration.

20 (s) "Related" means ~~a~~**IN THE RELATIONSHIP OF** parent,  
21 grandparent, brother, sister, stepparent, stepsister, stepbrother,  
22 uncle, aunt, cousin, great aunt, great uncle, or stepgrandparent  
23 ~~related~~ by marriage, blood, or adoption.

24 (t) "Religious organization" means a church, ecclesiastical  
25 corporation, or group, not organized for pecuniary profit, that  
26 gathers for mutual support and edification in piety or worship of a  
27 supreme deity.

1 (u) "School-age child" means a child who is eligible to be  
2 enrolled in a grade of kindergarten or above, but is less than 13  
3 years of age.

4 (v) "Licensee designee" means the individual designated in  
5 writing by the board of directors of the corporation or by the  
6 owner or person with legal authority to act on behalf of the  
7 company or organization on licensing matters. All license  
8 applications must be signed by the licensee in the case of the  
9 individual or by a member of the corporation, company, or  
10 organization.

11 (2) A facility or program for school-age children that is  
12 currently operated and has been in operation and licensed or  
13 approved as provided in this act for a minimum of 2 years may apply  
14 to the department to be exempt from inspections and on-site visits  
15 required under section 5. The department shall respond to a  
16 facility or program requesting exemption from inspections and on-  
17 site visits required under section 5 as provided under this  
18 subsection within 45 days from the date the completed application  
19 is received. The department may grant exemption from inspections  
20 and on-site visits required under section 5 to a facility or  
21 program that meets all of the following criteria:

22 (a) The facility or program has been in operation and licensed  
23 or approved under this act for a minimum of 2 years immediately  
24 preceding the application date.

25 (b) During the 2 years immediately preceding the application  
26 date, the facility or program has not had a substantial violation  
27 of this act, rules promulgated under this act, or the terms of a

1 licensure or an approval under this act.

2 (c) The school board, board of directors, or governing body  
3 adopts a resolution supporting the application for exemption from  
4 inspections and on-site visits required under section 5 as provided  
5 for in this subsection.

6 (3) A facility or program granted exemption from inspections  
7 and on-site visits required under section 5 as provided under  
8 subsection (2) is required to maintain status as a licensed or  
9 approved program under this act and must continue to meet the  
10 requirements of this act, the rules promulgated under this act, or  
11 the terms of a license or approval under this act. A facility or  
12 program granted exemption from inspections and on-site visits  
13 required under section 5 as provided under subsection (2) is  
14 subject to an investigation by the department if a violation of  
15 this act or a violation of a rule promulgated under this act is  
16 alleged.

17 (4) A facility or program granted exemption from inspections  
18 and on-site visits required under section 5 as provided under  
19 subsection (2) is not subject to interim or annual licensing  
20 reviews. ~~A-SUCH A facility or program granted exemption from~~  
21 ~~inspections and on-site visits required under section 5 as provided~~  
22 ~~under subsection (2)~~ is required to submit documentation annually  
23 demonstrating compliance with the requirements of this act, the  
24 rules promulgated under this act, or the terms of a license or  
25 approval under this act.

26 (5) An exemption provided under subsection (2) may be  
27 rescinded by the department if the facility or program willfully

1 and substantially violates this act, the rules promulgated under  
2 this act, or the terms of a license or approval granted under this  
3 act.

4       Sec. 5. (1) A person, partnership, firm, corporation,  
5 association, or nongovernmental organization shall not establish or  
6 maintain a child care organization unless licensed or registered by  
7 the department. Application for a license or certificate of  
8 registration shall be made on forms provided, and in the manner  
9 prescribed, by the department. Before issuing or renewing a  
10 license, the department shall investigate the applicant's  
11 activities and proposed standards of care and shall make an on-site  
12 visit of the proposed or established organization. Except as  
13 otherwise provided in this subsection, if the department is  
14 satisfied as to the need for a child care organization, its  
15 financial stability, the applicant's good moral character, and that  
16 the services and facilities are conducive to the welfare of the  
17 children, the department shall issue or renew the license. If a  
18 county juvenile agency as defined in section 2 of the county  
19 juvenile agency act, 1998 PA 518, MCL 45.622, certifies to the  
20 department that it intends to contract with an applicant for a new  
21 license, the department shall issue or deny the license within 60  
22 days after it receives a complete application as provided in  
23 section 5b. The department shall not issue a license to or renew a  
24 license of an applicant if any of the following persons have been  
25 convicted of child abuse under section 136b of the Michigan penal  
26 code, 1931 PA 328, MCL 750.136b, or neglect under section 145 of  
27 the Michigan penal code, 1931 PA 328, MCL 750.145:

1 (a) The individual applicant.

2 (b) The owner, partner, or director of the applying  
3 organization, if other than an individual.

4 (2) The department shall issue a certificate of registration  
5 to a person who has successfully completed an orientation session  
6 offered by the department and who certifies to the department that  
7 the family child care home has complied with and will continue to  
8 comply with the rules promulgated under this act and will provide  
9 services and facilities, as determined by the department, conducive  
10 to the welfare of children. The department shall make available to  
11 applicants for registration an orientation session regarding this  
12 act, the rules promulgated under this act, and the needs of  
13 children in family child care before issuing a certificate of  
14 registration. The department shall issue a certificate of  
15 registration to a specific person at a specific location. A  
16 certificate of registration is nontransferable and remains the  
17 property of the department. Within 90 days after initial  
18 registration, the department shall make an on-site visit of the  
19 family child care home.

20 (3) The department may authorize a licensed child placing  
21 agency or an approved governmental unit to investigate a foster  
22 family home or a foster family group home according to subsection  
23 (1) and to certify that the foster family home or foster family  
24 group home meets the licensing requirements prescribed by this act.  
25 Before certifying to the department that a foster family home or  
26 foster family group home meets the licensing requirements  
27 prescribed by this act, the licensed child placing agency or

1 approved governmental unit shall receive and review a medical  
2 statement for each member of the household indicating that he or  
3 she does not have a known condition that would affect the care of a  
4 foster child. The medical statement required under this section  
5 shall be signed and dated by a physician licensed under article 15  
6 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838,  
7 a physician's assistant licensed under article 15 of the public  
8 health code, 1978 PA 368, MCL 333.16101 to 333.18838, or a  
9 certified nurse practitioner licensed as a registered professional  
10 nurse under part 172 of the public health code, 1978 PA 368, MCL  
11 333.17201 to 333.17242, who has been issued a specialty  
12 certification as a nurse practitioner by the board of nursing under  
13 section 17210 of the public health code, 1978 PA 368, MCL  
14 333.17210, within the 12 months immediately preceding the date of  
15 the initial evaluation. This subsection does not require new or  
16 additional third party reimbursement or worker's compensation  
17 benefits for services rendered. A foster family home or a foster  
18 family group home shall be certified for licensing by the  
19 department by only 1 child placing agency or approved governmental  
20 unit. Other child placing agencies may place children in a foster  
21 family home or foster family group home only upon the approval of  
22 the certifying agency or governmental unit.

23 (4) The department may authorize a licensed child placing  
24 agency or an approved governmental unit to place a child who is ~~16~~  
25 ~~or 17~~ **AT LEAST 16 BUT LESS THAN 21** years of age in his or her own  
26 unlicensed residence, or in the unlicensed residence of an adult  
27 who has no supervisory responsibility for the child, if a child

1 placing agency or governmental unit retains supervisory  
2 responsibility for the child. **IF THE CHILD IS AT LEAST 18 BUT LESS**  
3 **THAN 21 YEARS OF AGE, HE OR SHE MUST MEET THE REQUIREMENTS OF THE**  
4 **YOUNG ADULT VOLUNTARY FOSTER CARE ACT.**

5 (5) A licensed child placing agency, child caring institution,  
6 and an approved governmental unit shall provide the state court  
7 administrative office and a local foster care review board  
8 established under 1984 PA 422, MCL 722.131 to 722.139a, those  
9 records requested pertaining to children in foster care placement  
10 for more than 6 months.

11 (6) The department may authorize a licensed child placing  
12 agency or an approved governmental unit to place a child who is 16  
13 or 17 years old in an adult foster care family home or an adult  
14 foster care small group home licensed under the adult foster care  
15 facility licensing act, 1979 PA 218, MCL 400.701 to 400.737, if a  
16 licensed child placing agency or approved governmental unit retains  
17 supervisory responsibility for the child and certifies to the  
18 department all of the following:

19 (a) The placement is in the best interests of the child.

20 (b) The child's needs can be adequately met by the adult  
21 foster care family home or small group home.

22 (c) The child will be compatible with other residents of the  
23 adult foster care family home or small group home.

24 (d) The child placing agency or approved governmental unit  
25 will periodically reevaluate the placement of a child under this  
26 subsection to determine that the criteria for placement in  
27 subdivisions (a) through (c) continue to be met.

1           (7) On an exception basis, the director of the department, or  
2 his or her designee, may authorize a licensed child placing agency  
3 or an approved governmental unit to place an adult in a foster  
4 family home if a licensed child placing agency or approved  
5 governmental unit certifies to the department all of the following:

6           (a) The adult is a person with a developmental disability as  
7 defined by section 100a of the mental health code, 1974 PA 258, MCL  
8 330.1100a, or a person who is otherwise neurologically disabled and  
9 is also physically limited to a degree that requires complete  
10 physical assistance with mobility and activities of daily living.

11           (b) The placement is in the best interests of the adult and  
12 will not adversely affect the interests of the foster child or  
13 children residing in the foster family home.

14           (c) The identified needs of the adult can be met by the foster  
15 family home.

16           (d) The adult will be compatible with other residents of the  
17 foster family home.

18           (e) The child placing agency or approved governmental unit  
19 will periodically reevaluate the placement of an adult under this  
20 subsection to determine that the criteria for placement in  
21 subdivisions (a) through (d) continue to be met and document that  
22 the adult is receiving care consistent with the administrative  
23 rules for a child placing agency.

24           (8) On an exception basis, the director of the department, or  
25 his or her designee, may authorize a licensed child placing agency  
26 or an approved governmental unit to place a child in an adult  
27 foster care family home or an adult foster care small group home



1 licensed under the adult foster care facility licensing act, 1979  
2 PA 218, MCL 400.701 to 400.737, if the licensed child placing  
3 agency or approved governmental unit certifies to the department  
4 all of the following:

5 (a) The placement is in the best interests of the child.

6 (b) The placement has the concurrence of the parent or  
7 guardian of the child.

8 (c) The identified needs of the child can be met adequately by  
9 the adult foster care family home or small group home.

10 (d) The child's psychosocial and clinical needs are compatible  
11 with those of other residents of the adult foster care family home  
12 or small group home.

13 (e) The clinical treatment of the child's condition is similar  
14 to that of the other residents of the adult foster care family home  
15 or small group home.

16 (f) The child's cognitive level is consistent with the  
17 cognitive level of the other residents of the adult foster care  
18 family home or small group home.

19 (g) The child is neurologically disabled and is also  
20 physically limited to a degree that requires complete physical  
21 assistance with mobility and activities of daily living.

22 (h) The child placing agency or approved governmental unit  
23 will periodically reevaluate the placement of a child under this  
24 subsection to determine that the criteria for placement in  
25 subdivisions (a) to (g) continue to be met.

26 (9) Except as provided in subsection (1) and section 5b, the  
27 department shall issue an initial or renewal license or

1 registration under this act for child care centers, group child  
2 care homes, and family child care homes not later than 6 months  
3 after the applicant files a completed application. Receipt of the  
4 application is considered the date the application is received by  
5 any agency or department of this state. If the application is  
6 considered incomplete by the department, the department shall  
7 notify the applicant in writing or make notice electronically  
8 available within 30 days after receipt of the incomplete  
9 application, describing the deficiency and requesting additional  
10 information. This subsection does not affect the time period within  
11 which an on-site visit to a family child care home shall be made.  
12 If the department identifies a deficiency or requires the  
13 fulfillment of a corrective action plan, the 6-month period is  
14 tolled until either of the following occurs:

15 (a) Upon notification by the department of a deficiency, until  
16 the date the requested information is received by the department.

17 (b) Upon notification by the department that a corrective  
18 action plan is required, until the date the department determines  
19 the requirements of the corrective action plan have been met.

20 (10) The determination of the completeness of an application  
21 is not an approval of the application for the license and does not  
22 confer eligibility on an applicant determined otherwise ineligible  
23 for issuance of a license.

24 (11) Except as provided in subsection (1) and section 5b, if  
25 the department fails to issue or deny a license or registration to  
26 a child care center, group child care home, or family child care  
27 home within the time required by this section, the department shall

1 return the license or registration fee and shall reduce the license  
2 or registration fee for the applicant's next renewal application,  
3 if any, by 15%. Failure to issue or deny a license to a child care  
4 center, group child care home, or family child care home within the  
5 time period required under this section does not allow the  
6 department to otherwise delay the processing of the application. A  
7 completed application shall be placed in sequence with other  
8 completed applications received at that same time. The department  
9 shall not discriminate against an applicant in the processing of an  
10 application based on the fact that the application fee was refunded  
11 or discounted under this subsection.

12 (12) If, on a continual basis, inspections performed by a  
13 local health department delay the department in issuing or denying  
14 licenses or registrations for child care centers, group day care  
15 homes, and family child care homes under this act within the 6-  
16 month period, the department may use department staff to complete  
17 the inspections instead of the local health department causing the  
18 delays.

19 (13) The **DEPARTMENT** director ~~of the department~~ shall submit a  
20 report by December 1 of each year to the standing committees and  
21 appropriations subcommittees of the senate and house of  
22 representatives concerned with human services and children's  
23 issues. The **DEPARTMENT** director shall include **IN THE REPORT** all of  
24 the following information regarding applications for licenses and  
25 registrations only for child care centers, group child care homes,  
26 and family child care homes filed under this act ~~in the report~~  
27 ~~concerning~~ **DURING** the preceding fiscal year:

1 (a) The number of initial and renewal applications the  
2 department received and completed within the 6-month time period  
3 described in subsection (9).

4 (b) The number of applications requiring a request for  
5 additional information.

6 (c) The number of applications rejected.

7 (d) The number of licenses and registrations not issued within  
8 the 6-month period.

9 (e) The average processing time for initial and renewal  
10 licenses and registrations granted after the 6-month period.

11 (14) Except as provided in section 5c(8), the department shall  
12 not issue to or renew the license of a child care organization  
13 under this act without requesting a criminal history check and  
14 criminal records check as required by section 5c. If a criminal  
15 history check or criminal records check performed under section 5c  
16 or information obtained as a result of notification from the  
17 department of state police under section 5k reveals that an  
18 applicant for a license under this act has been convicted of a  
19 listed offense, the department shall not issue a license to that  
20 applicant. If a criminal history check or criminal records check  
21 performed under section 5c or information obtained as a result of  
22 notification from the department of state police under section 5k  
23 reveals that an applicant for renewal of a license under this act  
24 has been convicted of a listed offense, the department shall not  
25 renew that license. If a criminal history check or criminal records  
26 check performed under section 5c or information obtained as a  
27 result of notification from the department of state police under

1 section 5k reveals that a current licensee has been convicted of a  
2 listed offense, the department shall revoke the license of that  
3 licensee.

4 (15) Except as provided in section 5f(13), the department  
5 shall not issue or renew a certificate of registration to a family  
6 child care home or a license to a group child care home under this  
7 act without requesting a criminal history check and criminal  
8 records check as required by sections 5f and 5g. If a criminal  
9 history check or criminal records check performed under section 5f  
10 or 5g or information obtained as a result of notification from the  
11 department of state police under section 5k reveals that an  
12 applicant for a certificate of registration or license under this  
13 act or a person over 18 years of age residing in that applicant's  
14 home has been convicted of a listed offense, the department shall  
15 not issue a certificate of registration or license to that  
16 applicant. If a criminal history check or criminal records check  
17 performed under section 5f or 5g or information obtained as a  
18 result of notification from the department of state police under  
19 section 5k reveals that an applicant for renewal of a certificate  
20 of registration or license under this act or a person over 18 years  
21 of age residing in that applicant's home has been convicted of a  
22 listed offense, the department shall not renew a certificate of  
23 registration or license to that applicant. If a criminal history  
24 check or criminal records check performed under section 5f or 5g or  
25 information obtained as a result of notification from the  
26 department of state police under section 5k reveals that a current  
27 registrant or licensee under this act or a person over 18 years of

1 age residing in that registrant's or licensee's home has been  
2 convicted of a listed offense, the department shall revoke that  
3 registrant's certificate of registration or licensee's license.

4 (16) Except as provided in section 5h(7), the department shall  
5 not issue or renew a license to operate a foster family home or  
6 foster family group home under this act without requesting a  
7 criminal history check and criminal records check as required by  
8 sections 5h and 5j. If a criminal history check or criminal records  
9 check performed under section 5h or 5j or information obtained as a  
10 result of notification from the department of state police under  
11 section 5k reveals that an applicant for a license to operate a  
12 foster family home or foster family group home under this act or a  
13 person over 18 years of age residing in that applicant's home has  
14 been convicted of a listed offense, the department shall not issue  
15 a license to that applicant. If a criminal history check or  
16 criminal records check performed under section 5h or 5j or  
17 information obtained as a result of notification from the  
18 department of state police under section 5k reveals that an  
19 applicant for renewal of a license to operate a foster family home  
20 or foster family group home under this act or a person over 18  
21 years of age residing in that applicant's home has been convicted  
22 of a listed offense, the department shall not renew a license to  
23 that applicant. If a criminal history check or criminal records  
24 check performed under section 5h or 5j or information obtained as a  
25 result of notification from the department of state police under  
26 section 5k reveals that a current licensee under this act of a  
27 foster family home or foster family group home or a person over 18

1 years of age residing in that licensee's foster family home or  
2 foster family group home has been convicted of a listed offense,  
3 the department shall revoke that licensee's license.

4 (17) As used in this section:

5 (a) "Completed application" means an application complete on  
6 its face and submitted with any applicable licensing or  
7 registration fees as well as any other information, records,  
8 approval, security, or similar item required by law or rule from a  
9 local unit of government, a federal agency, or a private entity but  
10 not from another department or agency of this state. A completed  
11 application does not include a health inspection performed by a  
12 local health department.

13 (b) "Good moral character" means that term as defined in and  
14 determined under 1974 PA 381, MCL 338.41 to 338.47.

15 (c) "Member of the household" means any individual, other than  
16 a foster child, who resides in a foster family home or foster  
17 family group home on an ongoing or recurrent basis.

18 Enacting section 1. This amendatory act does not take effect  
19 unless Senate Bill No. 435 of the 96th Legislature is enacted into  
20 law.