

**SUBSTITUTE FOR  
HOUSE BILL NO. 5042**

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, 5c, and 5m (MCL 722.111, 722.115c, and  
722.115m), section 1 as amended by 2020 PA 6, section 5c as amended  
by 2017 PA 256, and section 5m as added by 2017 PA 258.

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

- 1           Sec. 1. As used in this act:  
2           (a) "Child care staff member" means an individual who is 18  
3 years of age or older to whom 1 or more of the following



1 ~~applies~~**apply:**

2 (i) The individual is employed by a child care center, group  
3 child care home, or family child care home for compensation,  
4 including a contract employee or a self-employed individual.

5 (ii) An individual whose activities involve the unsupervised  
6 care or supervision of children for a child care center, group  
7 child care home, or family child care home.

8 (iii) An individual who has unsupervised access to children who  
9 are cared for or supervised by a child care center, group child  
10 care home, or family child care home.

11 (iv) An individual who acts in the role of a licensee designee  
12 or program director.

13 (b) "Child care organization" means a governmental or  
14 nongovernmental organization having as its principal function  
15 receiving minor children for care, maintenance, training, and  
16 supervision, notwithstanding that educational instruction may be  
17 given. Child care organization includes organizations commonly  
18 described as child caring institutions, child placing agencies,  
19 children's camps, children's campsites, children's therapeutic  
20 group homes, child care centers, day care centers, nursery schools,  
21 parent cooperative preschools, foster homes, group homes, or child  
22 care homes. Child care organization does not include a governmental  
23 or nongovernmental organization that does either of the following:

24 (i) Provides care exclusively to minors who have been  
25 emancipated by court order under section 4(3) of 1968 PA 293, MCL  
26 722.4.

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



1 (c) "Child caring institution" means a child care facility  
2 that is organized for the purpose of receiving minor children for  
3 care, maintenance, and supervision, usually on a 24-hour basis, in  
4 buildings maintained by the child caring institution for that  
5 purpose, and operates throughout the year. An educational program  
6 may be provided, but the educational program shall not be the  
7 primary purpose of the facility. Child caring institution includes  
8 a maternity home for the care of unmarried mothers who are minors  
9 and an agency group home, that is described as a small child caring  
10 institution, owned, leased, or rented by a licensed agency  
11 providing care for more than 4 but less than 13 minor children.  
12 Child caring institution also includes an institution for  
13 developmentally disabled or emotionally disturbed minor children.  
14 Child caring institution does not include a hospital, nursing home,  
15 or home for the aged licensed under article 17 of the public health  
16 code, 1978 PA 368, MCL 333.20101 to 333.22260, a boarding school  
17 licensed under section 1335 of the revised school code, 1976 PA  
18 451, MCL 380.1335, a hospital or facility operated by the state or  
19 licensed under the mental health code, 1974 PA 258, MCL 330.1001 to  
20 330.2106, or an adult foster care family home or an adult foster  
21 care small group home licensed under the adult foster care facility  
22 licensing act, 1979 PA 218, MCL 400.701 to 400.737, in which a  
23 child has been placed under section 5(6).

24 (d) "Child caring institution staff member" means an  
25 individual who is 18 years of age or older to whom 1 or more of the  
26 following ~~applies~~:**apply**:

27 (i) The individual is employed by a child caring institution  
28 for compensation, including an adult who does not work directly  
29 with children.



1           (ii) The individual is a contract employee or self-employed  
2 individual with a child caring institution.

3           (iii) The individual is an intern or other individual who  
4 provides specific services under the rules promulgated under this  
5 act.

6           (e) "Child placing agency" means a governmental organization  
7 or an agency organized under the nonprofit corporation act, 1982 PA  
8 162, MCL 450.2101 to 450.3192, for the purpose of receiving  
9 children for placement in private family homes for foster care or  
10 for adoption. The function of a child placing agency may include  
11 investigating applicants for adoption and investigating and  
12 certifying foster family homes and foster family group homes as  
13 provided in this act. The function of a child placing agency may  
14 also include supervising children who are at least 16 but less than  
15 21 years of age and who are living in unlicensed residences as  
16 provided in section 5(4).

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

22           (g) "Children's campsite" means the outdoor setting where a  
23 children's residential or day camp is located.

24           (h) "Children's therapeutic group home" means a child caring  
25 institution receiving not more than 6 minor children who are  
26 diagnosed with a developmental disability as defined in section  
27 100a of the mental health code, 1974 PA 258, MCL 330.1100a, or a  
28 serious emotional disturbance as defined in section 100d of the  
29 mental health code, 1974 PA 258, MCL 330.1100d, and that meets all



1 of the following requirements:

2 (i) Provides care, maintenance, and supervision, usually on a  
3 24-hour basis.

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

9 (iii) Is not a private home.

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

11 (i) "Child care center" means a facility, other than a private  
12 residence, receiving 1 or more children under 13 years of age for  
13 care for periods of less than 24 hours a day, where the parents or  
14 guardians are not immediately available to the child. Child care  
15 center includes a facility that provides care for not less than 2  
16 consecutive weeks, regardless of the number of hours of care per  
17 day. The facility is generally described as a child care center,  
18 day care center, day nursery, nursery school, parent cooperative  
19 preschool, play group, before- or after-school program, or drop-in  
20 center. Child care center does not include any of the following:

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

26 (ii) A facility operated by a religious organization where  
27 children are in the religious organization's care for not more than  
28 3 hours while persons responsible for the children are attending  
29 religious services.



1 (iii) A program that is primarily supervised, school-age-child-  
2 focused training in a specific subject, including, but not limited  
3 to, dancing, drama, music, or religion. This exclusion applies only  
4 to the time a child is involved in supervised, school-age-child-  
5 focused training.

6 (iv) A program that is primarily an incident of group athletic  
7 or social activities for school-age children sponsored by or under  
8 the supervision of an organized club or hobby group, including, but  
9 not limited to, youth clubs, scouting, and school-age recreational  
10 or supplementary education programs. This exclusion applies only to  
11 the time the school-age child is engaged in the group athletic or  
12 social activities and if the school-age child can come and go at  
13 will.

14 (v) A program that primarily provides therapeutic services to  
15 a child.

16 (j) "Conviction" means a final conviction, the payment of a  
17 fine, a plea of guilty or nolo contendere if accepted by the court,  
18 a finding of guilt for a criminal law violation or a juvenile  
19 adjudication or disposition by the juvenile division of probate  
20 court or family division of circuit court for a violation that if  
21 committed by an adult would be a crime, or a conviction in a tribal  
22 court or a military court.

23 (k) "Criminal history check" means a fingerprint-based  
24 criminal history record information background check through the  
25 department of state police and the Federal Bureau of Investigation.

26 (l) "Criminal history record information" means that term as  
27 defined in section 1a of 1925 PA 289, MCL 28.241a.

28 (m) "Department" means the department of health and human  
29 services and the department of licensing and regulatory affairs or



1 a successor agency or department responsible for licensure under  
2 this act. The department of licensing and regulatory affairs is  
3 responsible for licensing and regulatory matters for child care  
4 centers, group child care homes, family child care homes,  
5 children's camps, and children's campsites. The department of  
6 health and human services is responsible for licensing and  
7 regulatory matters for child caring institutions, child placing  
8 agencies, children's therapeutic group homes, foster family homes,  
9 and foster family group homes.

10 (n) "Eligible" means that the individual obtained the checks  
11 and clearances described in sections 5n and 5q and is considered  
12 appropriate to obtain a license, to be a member of the household of  
13 a group child care home or family child care home, or to be a child  
14 care staff member.

15 (o) "Ineligible" means that the individual obtained the checks  
16 and clearances as described in sections 5n and 5q and is not  
17 considered appropriate to obtain a license, to be a member of the  
18 household of a group child care home or family child care home, or  
19 to be a child care staff member due to violation of section 5n, 5q,  
20 or 5r.

21 (p) "Private home" means a private residence in which the  
22 licensee permanently resides, which residency is not contingent  
23 upon caring for children or employment by a child placing agency.  
24 Private home includes a full-time foster family home, a full-time  
25 foster family group home, a group child care home, or a family  
26 child care home, as follows:

27 (i) "Foster family home" means the private home of an  
28 individual who is licensed to provide 24-hour care for 1 but not  
29 more than 4 minor children who are placed away from their parent,



1 legal guardian, or legal custodian in foster care. The licensed  
2 individual providing care is required to comply with the reasonable  
3 and prudent parenting standard as defined in section 1 of chapter  
4 XIIIA of the probate code of 1939, 1939 PA 288, MCL 712A.1.

5 (ii) "Foster family group home" means the private home of an  
6 individual who has been licensed by the department to provide 24-  
7 hour care for more than 4 but fewer than 7 minor children who are  
8 placed away from their parent, legal guardian, or legal custodian  
9 in foster care. The licensed individual providing care is required  
10 to comply with the reasonable and prudent parenting standard as  
11 defined in section 1 of chapter XIIIA of the probate code of 1939,  
12 1939 PA 288, MCL 712A.1.

13 (iii) "Family child care home" means a private home in which 1  
14 but fewer than 7 minor children are received for care and  
15 supervision for compensation for periods of less than 24 hours a  
16 day, unattended by a parent or legal guardian, except children  
17 related to an adult member of the household by blood, marriage, or  
18 adoption. Family child care home includes a home in which care is  
19 given to an unrelated minor child for more than 4 weeks during a  
20 calendar year. A family child care home does not include an  
21 individual providing babysitting services for another individual.  
22 As used in this subparagraph, "providing babysitting services"  
23 means caring for a child on behalf of the child's parent or  
24 guardian if the annual compensation for providing those services  
25 does not equal or exceed \$600.00 or an amount that would according  
26 to the internal revenue code of 1986 obligate the child's parent or  
27 guardian to provide a form 1099-MISC to the individual for  
28 compensation paid during the calendar year for those services.

29 (iv) "Group child care home" means a private home in which more





1 than 6 but not more than 12 minor children are given care and  
 2 supervision for periods of less than 24 hours a day unattended by a  
 3 parent or legal guardian, except children related to an adult  
 4 member of the household by blood, marriage, or adoption. Group  
 5 child care home includes a home in which care is given to an  
 6 unrelated minor child for more than 4 weeks during a calendar year.

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

11 (r) **"Legal entity" means a sole proprietorship, partnership,  
 12 corporation, limited liability company, or any other entity.**

13 (s) ~~(r)~~—"Licensee" means a person, ~~partnership, firm,  
 14 corporation, association, nongovernmental organization, or local or  
 15 state government organization~~ **legal entity organized under a law of  
 16 this state, state or local government, or trust** that has been  
 17 issued a license under this act to operate a child care  
 18 organization.

19 (t) ~~(s)~~—"Listed offense" means that term as defined in section  
 20 2 of the sex offenders registration act, 1994 PA 295, MCL 28.722.

21 (u) ~~(t)~~—"Member of the household" means any individual who  
 22 resides in a family child care home, group child care home, foster  
 23 family home, or foster family group home on an ongoing basis, or  
 24 who has a recurrent presence in the home, including, but not  
 25 limited to, overnight stays. For foster family homes and foster  
 26 family group homes, a member of the household does not include a  
 27 foster child. For group child care homes and family child care  
 28 homes, a member of the household does not include a child to whom  
 29 child care is being provided.



1           **(v)** ~~(u)~~—"Original license" means a license issued to a child  
 2 care organization during the first 6 months of operation indicating  
 3 that the organization is in compliance with all rules promulgated  
 4 by the department under this act.

5           **(w)** ~~(v)~~—"Provisional license" means a license issued to a  
 6 child care organization that is temporarily unable to conform to  
 7 the rules promulgated under this act.

8           **(x)** ~~(w)~~—"Qualified residential treatment program" or "QRTP"  
 9 means a program within a child caring institution to which all of  
 10 the following apply:

11           (i) The program has a trauma-informed treatment model,  
 12 evidenced by the inclusion of trauma awareness, knowledge, and  
 13 skills into the program's culture, practices, and policies.

14           (ii) The program has registered or licensed nursing and other  
 15 licensed clinical staff on-site or available 24 hours a day, 7 days  
 16 a week, who provide care in the scope of their practice as provided  
 17 in parts 170, 172, 181, 182, 182A, and 185 of the public health  
 18 code, 1978 PA 368, MCL 333.17001 to 333.17097, 333.17201 to  
 19 333.17242, 333.18101 to 333.18117, 333.18201 to 333.18237,  
 20 333.18251 to 333.18267, and 333.18501 to 333.18518.

21           (iii) The program integrates families into treatment, including  
 22 maintaining sibling connections.

23           (iv) The program provides aftercare services for at least 6  
 24 months post discharge.

25           (v) The program is accredited by an independent not-for-profit  
 26 organization as described in 42 USC 672(k)(4)(G).

27           (vi) The program does not include a detention facility,  
 28 forestry camp, training school, or other facility operated  
 29 primarily for detaining minor children who are determined to be



1 delinquent.

2       **(y)** ~~(x)~~—"Regular license" means a license issued to a child  
3 care organization indicating that the organization is in  
4 substantial compliance with all rules promulgated under this act  
5 and, if there is a deficiency, has entered into a corrective action  
6 plan.

7       **(z)** ~~(y)~~—"Guardian" means the guardian of the person.

8       **(aa)** ~~(z)~~—"Minor child" means any of the following:

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

10       (ii) A person who is a resident in a child caring institution,  
11 foster family home, or foster family group home, who is at least 18  
12 but less than 21 years of age, and who meets the requirements of  
13 the young adult voluntary foster care act, 2011 PA 225, MCL 400.641  
14 to 400.671.

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



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

2 (B) Three, if the total number of residents is not less than  
3 11 and not more than 14.

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

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

7 (iv) A person 18 years of age or older who is placed in an  
8 unlicensed residence under section 5(4) or a foster family home  
9 under section 5(7).

10 (bb) ~~(aa)~~ "Related" means in the relationship by blood,  
11 marriage, or adoption, as parent, grandparent, great-grandparent,  
12 great-great-grandparent, aunt or uncle, great-aunt or great-uncle,  
13 great-great-aunt or great-great-uncle, sibling, stepsibling, nephew  
14 or niece, first cousin or first cousin once removed, and the spouse  
15 of any of the individuals described in this definition, even after  
16 the marriage has ended by death or divorce.

17 (cc) ~~(bb)~~ "Religious organization" means a church,  
18 ecclesiastical corporation, or group, not organized for pecuniary  
19 profit, that gathers for mutual support and edification in piety or  
20 worship of a supreme deity.

21 (dd) ~~(ee)~~ "School-age child" means a child who is eligible to  
22 attend a grade of kindergarten or higher, but is less than 13 years  
23 of age. A child is considered to be a school-age child on the first  
24 day of the school year in which he or she is eligible to attend  
25 school.

26 (ee) ~~(dd)~~ "Severe physical injury" means that term as defined  
27 in section 8 of the child protection law, 1975 PA 238, MCL 722.628.

28 (ff) ~~(ee)~~ "Licensee designee" means the individual designated  
29 in writing by the board of directors of the corporation or by the



1 owner or person with legal authority to act on behalf of the  
 2 company or organization on licensing matters. The individual must  
 3 agree in writing to be designated as the licensee designee. All  
 4 license applications must be signed by the licensee in the case of  
 5 the individual or by a member of the corporation, company, or  
 6 organization.

7       Sec. 5c. (1) Except as provided in subsection (6), when a  
 8 person or ~~partnership, or licensee designee if the~~ **an** applicant  
 9 **that** is a ~~limited liability corporation, firm, corporation,~~  
 10 ~~association, nongovernmental organization, or governmental~~  
 11 ~~organization~~ **legal entity, trust, or local or state governmental**  
 12 **organization** applies for a license for a child care organization  
 13 under section 5, the department shall request the department of  
 14 state police to perform a criminal history check on the person,  
 15 licensee designee, chief administrator, and program director of ~~a~~  
 16 **the** child care organization, **as applicable.**

17       (2) Each person applying for a license to operate a child care  
 18 organization ~~shall~~ **must** give written consent at the time of the  
 19 license application for the department of state police to conduct  
 20 the criminal history check required under this section. The  
 21 department shall require the person to submit his or her  
 22 fingerprints to the department of state police and the Federal  
 23 Bureau of Investigation for the criminal history check described in  
 24 subsection (1).

25       (3) The department shall request a criminal history check  
 26 required under this section on a form and in the manner prescribed  
 27 by the department of state police.

28       (4) Within a reasonable time after receiving a complete  
 29 request by the department for a criminal history check on a person



1 under this section, the department of state police ~~shall~~**must**  
 2 conduct the criminal history check and provide a report of the  
 3 results to the department. The report shall contain any criminal  
 4 history record information on the person maintained by the  
 5 department of state police and the Federal Bureau of Investigation.

6 (5) The department of state police may charge the department a  
 7 fee for a criminal history check required under this section that  
 8 does not exceed the actual and reasonable cost of conducting the  
 9 check. The department may pass along to the licensee or applicant  
 10 the actual cost or fee charged by the department of state police,  
 11 the Federal Bureau of Investigation, or a vendor approved by the  
 12 department of state police for performing a criminal history check  
 13 required under this section.

14 (6) If a person, licensee designee, chief administrator, or  
 15 program director of a child care organization applying to renew a  
 16 license to operate a child care organization has previously  
 17 undergone a criminal history check required under subsection (1)  
 18 and has remained continuously licensed after the criminal history  
 19 check has been performed and section 5k continues to apply, that  
 20 person, licensee designee, chief administrator, or program director  
 21 of a child care organization is not required to submit to another  
 22 criminal history check upon renewal of the license obtained under  
 23 section 5.

24 Sec. 5m. (1) This section and sections 5n to 5s apply only to  
 25 a child care center, group child care home, or family child care  
 26 home.

27 (2) A person, **local or state governmental organization,**  
 28 ~~partnership, firm, corporation, association, nongovernmental~~  
 29 ~~organization, or governmental organization~~ **trust, or legal entity**



1 shall not establish or maintain a child care center, group child  
 2 care home, or family child care home unless licensed by the  
 3 department. Application for a child care center, group child care  
 4 home, or family child care home license ~~shall~~**must** be made on forms  
 5 provided, and in the manner prescribed, by the department,  
 6 including the fees required under subsection ~~(10)~~**-(11)**. Before  
 7 issuing or renewing a child care center, group child care home, or  
 8 family child care home license, the department ~~shall~~**must**  
 9 investigate the applicant's activities and proposed standards of  
 10 care and ~~shall~~**must** make an on-site visit of the proposed or  
 11 established child care center, group child care home, or family  
 12 child care home. Except as otherwise provided in this subsection  
 13 and sections 5q and 5r, if the department is satisfied as to the  
 14 need for a child care center, group child care home, or family  
 15 child care home, as to its financial stability, and that the  
 16 service, facility, applicant, licensee, child care staff member, or  
 17 member of the household is conducive to the welfare of the  
 18 children, the department shall issue or renew the child care  
 19 center, group child care home, or family child care home license.  
 20 If the department determines that a service, facility, applicant,  
 21 licensee, child care staff member, or member of the household is  
 22 not conducive to the welfare of the children, the department shall  
 23 deny that application or revoke that licensee's license according  
 24 to section 11.

25 **(3) An applicant for a child care center license must disclose**  
 26 **the ownership interest in the child care center as follows:**

27 **(a) If the owner is a trust, the applicant must disclose the**  
 28 **names and addresses of all the trustees.**

29 **(b) If the owner is a privately held corporation, the**



1 applicant must disclose the names and addresses of all  
2 shareholders, officers, and directors.

3 (c) If the owner is a publicly held corporation, the applicant  
4 must disclose the names and addresses of the officers and directors  
5 and all shareholders holding a direct or indirect interest of  
6 greater than 5%.

7 (d) If the owner is a partnership or limited liability  
8 partnership, the applicant must disclose the names and addresses of  
9 all the partners.

10 (e) If the owner is a limited partnership or limited liability  
11 limited partnership, the applicant must disclose the names and  
12 addresses of all partners, both general and limited.

13 (f) If the owner is a limited liability company, the applicant  
14 must disclose the names and addresses of all members and managers.

15 (g) If the owner is a legal entity not covered under  
16 subdivisions (a) to (f), the applicant must disclose the names and  
17 address of all individuals that participate in governance for the  
18 legal entity.

19 (4) ~~(3)~~—To assess whether the service, facility, applicant,  
20 licensee, child care staff member, or member of the household is  
21 conducive to the welfare of the children, the department may  
22 utilize available information, including, but not limited to, any  
23 of the following:

24 (a) Investigative report, such as a law enforcement report and  
25 a children's protective services report.

26 (b) Medical report.

27 (c) Public record.

28 (d) Child care center, group child care home, or family child  
29 care home record.





1 (e) Inspection of the child care center, group child care  
2 home, or family child care home.

3 (5) ~~(4)~~—The department may use information obtained under  
4 section 5k to obtain reports prepared independently for police, law  
5 enforcement, or other purposes to make a determination under this  
6 section.

7 (6) ~~(5)~~—The department shall issue a group child care home or  
8 family child care home license to a person who has successfully  
9 completed an orientation session offered by the department and who  
10 meets the requirements of this act. The department ~~shall~~**must** make  
11 available to group child care home or family child care home  
12 applicants for licensure an orientation session regarding this act,  
13 the rules promulgated under this act, and the needs of children in  
14 child care before issuing a group child care home or family child  
15 care home license.

16 (7) ~~(6)~~—Except as provided in subsection (2), the department  
17 shall issue an original or renewal license under this act for a  
18 child care center, group child care home, or family child care home  
19 not later than 6 months after the applicant files a completed  
20 application. Receipt of the application is considered the date the  
21 application is received by the department. If the application is  
22 considered incomplete by the department, the department ~~shall~~**must**  
23 notify the applicant in writing or make notice electronically  
24 available within 30 days after receipt of the incomplete  
25 application, describing the deficiency and requesting additional  
26 information. If the department identifies a deficiency or requires  
27 the fulfillment of a corrective action plan, the 6-month period is  
28 tolled until either of the following occurs:

29 (a) Upon notification by the department of a deficiency, until



1 the date the requested information is received by the department.

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

5 (8) ~~(7)~~—The determination of the completeness of an  
6 application is not an approval of the application for the license  
7 and does not confer eligibility on an applicant determined  
8 otherwise ineligible for issuance of a license.

9 (9) ~~(8)~~—Except as provided in subsection (2), if the  
10 department fails to issue, deny, or refuse to renew a license to a  
11 child care center, group child care home, or family child care home  
12 within the time required by this section, the department ~~shall~~**must**  
13 return the application fee required under subsection ~~(10)~~**(11)** and  
14 shall reduce the application fee for the applicant's next renewal  
15 application, if any, by 15%. Failure to issue, deny, or refuse to  
16 renew a license to a child care center, group child care home, or  
17 family child care home within the time period required under this  
18 section does not allow the department to otherwise delay the  
19 processing of the application. A completed application shall be  
20 placed in sequence with other completed applications received at  
21 that same time. The department shall not discriminate against an  
22 applicant in processing of an application based on the fact that  
23 the application fee was refunded or discounted under this  
24 subsection.

25 (10) ~~(9)~~—If, on a continual basis, inspections performed by a  
26 local health department delay the department in issuing or denying  
27 a license for a child care center, group child care home, or family  
28 child care home under this act within the 6-month period, the  
29 department may use department staff to complete the inspection



1 instead of the local health department causing the delays.

2       **(11)** ~~(10)~~—The department shall assess fees as provided in the  
3 following schedule:

4           (a) Family child care home license, \$50.00 for an original  
5 license application and \$25.00 for renewal.

6           (b) Group child care home license, \$100.00 for an original  
7 license application and \$50.00 for renewal.

8           (c) Child care center license with a capacity of 1 to 20,  
9 \$150.00 for an original license application and \$75.00 for renewal.

10           (d) Child care center license with a capacity of 21 to 50,  
11 \$200.00 for an original license application and \$100.00 for  
12 renewal.

13           (e) Child care center license with a capacity of 51 to 100,  
14 \$250.00 for an original license application and \$125.00 for  
15 renewal.

16           (f) Child care center license with a capacity of over 100,  
17 \$300.00 for an original license application and \$150.00 for  
18 renewal.

19       **(12)** ~~(11)~~—The department shall use the fees collected under  
20 this section only to fund the program licensing child care centers,  
21 group child care homes, and family child care homes. Funds  
22 remaining at the end of the fiscal year shall not lapse to the  
23 general fund but shall remain available to fund the program in  
24 subsequent years.

25       **(13)** ~~(12)~~—Fees described in this section are payable to the  
26 department at the time an application is submitted for original  
27 issuance or renewal. If a license is denied, revoked, or refused  
28 renewal, or an application is rejected as provided in section  
29 15(4), the department shall not refund fees paid to the department.



1           (14) ~~(13)~~—As used in this section:

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

10          (b) "Conducive to the welfare of the children" means:

11          (i) The service and facility comply with this act and the  
12 administrative rules promulgated under this act.

13          (ii) The disposition, temperament, condition, and action of the  
14 applicant, licensee, licensee designee, program director, child  
15 care staff member, and member of the household promote the safety  
16 and well-being of the children served.

