## **SENATE BILL No. 1547**

September 25, 2008, Introduced by Senators OLSHOVE, BARCIA, CHERRY, ANDERSON, BASHAM and SCHAUER and referred to the Committee on Families and Human Services.

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 section 5 (MCL 722.115), as amended by 2007 PA 218.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 5. (1) A person, partnership, firm, corporation,
association, or nongovernmental organization shall not establish or
maintain a child care organization unless licensed or registered by
the department. Application for a license or certificate of
registration shall be made on forms provided, and in the manner
prescribed, by the department. Before issuing or renewing a

license, the department shall investigate the applicant's

- 1 activities and proposed standards of care and shall make an on-site
- 2 visit of the proposed or established organization. **If—EXCEPT AS**
- 3 OTHERWISE PROVIDED IN THIS SUBSECTION, IF the department is
- 4 satisfied as to the need for a child care organization, its
- 5 financial stability, the applicant's good moral character, and that
- 6 the services and facilities are conducive to the welfare of the
- 7 children, the department shall issue or renew the license. If a
- 8 county juvenile agency as defined in section 2 of the county
- 9 juvenile agency act, 1998 PA 518, MCL 45.622, certifies to the
- 10 department that it intends to contract with an applicant for a new
- 11 license, the department shall issue or deny the license within 60
- 12 days after it receives a complete application as provided in
- 13 section 5b. THE DEPARTMENT SHALL NOT ISSUE A LICENSE TO OR RENEW A
- 14 LICENSE OF AN APPLICANT IF ANY OF THE FOLLOWING PERSONS HAVE BEEN
- 15 CONVICTED OF CHILD ABUSE OR CHILD NEGLECT OR, WITHIN THE 10 YEARS
- 16 IMMEDIATELY PRECEDING THE APPLICATION, A FELONY INVOLVING HARM OR
- 17 THREATENED HARM TO AN INDIVIDUAL:
- 18 (A) THE INDIVIDUAL APPLICANT.
- 19 (B) THE OWNER, PARTNER, OR DIRECTOR OF THE APPLICANT, IF OTHER
- 20 THAN AN INDIVISUAL.
- 21 (2) The department shall issue a certificate of registration
- 22 to a person who has successfully completed an orientation session
- 23 offered by the department and who certifies to the department that
- 24 the family child care home has complied with and will continue to
- 25 comply with the rules promulgated under this act and will provide
- 26 services and facilities, as determined by the department, conducive
- 27 to the welfare of children. The department shall make available to

- 1 applicants for registration an orientation session regarding this
- 2 act, the rules promulgated under this act, and the needs of
- 3 children in family child care before issuing a certificate of
- 4 registration. The department shall issue a certificate of
- 5 registration to a specific person at a specific location. A
- 6 certificate of registration is nontransferable and remains the
- 7 property of the department. Within 90 days after initial
- 8 registration, the department shall make an on-site visit of the
- 9 family child care home.
- 10 (3) The department may authorize a licensed child placing
- 11 agency or an approved governmental unit to investigate a foster
- 12 family home or a foster family group home according to subsection
- 13 (1) and to certify that the foster family home or foster family
- 14 group home meets the licensing requirements prescribed by this act.
- 15 Before certifying to the department that a foster family home or
- 16 foster family group home meets the licensing requirements
- 17 prescribed by this act, the licensed child placing agency or
- 18 approved governmental unit shall receive and review a medical
- 19 statement for each member of the household indicating that he or
- 20 she does not have a known condition that would affect the care of a
- 21 foster child. The medical statement required under this section
- 22 shall be signed and dated by a physician licensed under article 15
- 23 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838,
- 24 a physician's assistant licensed under article 15 of the public
- 25 health code, 1978 PA 368, MCL 333.16101 to 333.18838, or a
- 26 certified nurse practitioner licensed as a registered professional
- 27 nurse under part 172 of the public health code, 1978 PA 368, MCL

- 1 333.17201 to 333.17242, who has been issued a specialty
- 2 certification as a nurse practitioner by the board of nursing under
- 3 section 17210 of the public health code, 1978 PA 368, MCL
- 4 333.17210, within the 12 months immediately preceding the date of
- 5 the initial evaluation. This subsection does not require new or
- 6 additional third party reimbursement or worker's compensation
- 7 benefits for services rendered. A foster family home or a foster
- 8 family group home shall be certified for licensing by the
- 9 department by only 1 child placing agency or approved governmental
- 10 unit. Other child placing agencies may place children in a foster
- 11 family home or foster family group home only upon the approval of
- 12 the certifying agency or governmental unit.
- 13 (4) The department may authorize a licensed child placing
- 14 agency or an approved governmental unit to place a child who is 16
- 15 or 17 years of age in his or her own unlicensed residence, or in
- 16 the unlicensed residence of an adult who has no supervisory
- 17 responsibility for the child, if a child placing agency or
- 18 governmental unit retains supervisory responsibility for the child.
- 19 (5) A licensed child placing agency, child caring institution,
- 20 and an approved governmental unit shall provide the state court
- 21 administrative office and a local foster care review board
- 22 established under 1984 PA 422, MCL 722.131 to 722.139a, those
- 23 records requested pertaining to children in foster care placement
- 24 for more than 6 months.
- 25 (6) The department may authorize a licensed child placing
- 26 agency or an approved governmental unit to place a child who is 16
- 27 or 17 years old in an adult foster care family home or an adult

- 1 foster care small group home licensed under the adult foster care
- 2 facility licensing act, 1979 PA 218, MCL 400.701 to 400.737, if a
- 3 licensed child placing agency or approved governmental unit retains
- 4 supervisory responsibility for the child and certifies to the
- 5 department all of the following:
- 6 (a) The placement is in the best interests of the child.
- 7 (b) The child's needs can be adequately met by the adult
- 8 foster care family home or small group home.
- 9 (c) The child will be compatible with other residents of the
- 10 adult foster care family home or small group home.
- 11 (d) The child placing agency or approved governmental unit
- 12 will periodically reevaluate the placement of a child under this
- 13 subsection to determine that the criteria for placement in
- 14 subdivisions (a) through (c) continue to be met.
- 15 (7) On an exception basis, the director of the department, or
- 16 his or her designee, may authorize a licensed child placing agency
- 17 or an approved governmental unit to place an adult in a foster
- 18 family home if a licensed child placing agency or approved
- 19 governmental unit certifies to the department all of the following:
- 20 (a) The adult is a person with a developmental disability as
- 21 defined by section 100a of the mental health code, 1974 PA 258, MCL
- 22 330.1100a, or a person who is otherwise neurologically disabled and
- 23 is also physically limited to a degree that requires complete
- 24 physical assistance with mobility and activities of daily living.
- 25 (b) The placement is in the best interests of the adult and
- 26 will not adversely affect the interests of the foster child or
- 27 children residing in the foster family home.

- 1 (c) The identified needs of the adult can be met by the foster
- 2 family home.
- 3 (d) The adult will be compatible with other residents of the
- 4 foster family home.
- 5 (e) The child placing agency or approved governmental unit
- 6 will periodically reevaluate the placement of an adult under this
- 7 subsection to determine that the criteria for placement in
- 8 subdivisions (a) through (d) continue to be met and document that
- 9 the adult is receiving care consistent with the administrative
- 10 rules for a child placing agency.
- 11 (8) On an exception basis, the director of the department, or
- 12 his or her designee, may authorize a licensed child placing agency
- 13 or an approved governmental unit to place a child in an adult
- 14 foster care family home or an adult foster care small group home
- 15 licensed under the adult foster care facility licensing act, 1979
- 16 PA 218, MCL 400.701 to 400.737, if the licensed child placing
- 17 agency or approved governmental unit certifies to the department
- 18 all of the following:
- 19 (a) The placement is in the best interests of the child.
- 20 (b) The placement has the concurrence of the parent or
- 21 guardian of the child.
- (c) The identified needs of the child can be met adequately by
- 23 the adult foster care family home or small group home.
- 24 (d) The child's psychosocial and clinical needs are compatible
- 25 with those of other residents of the adult foster care family home
- 26 or small group home.
- 27 (e) The clinical treatment of the child's condition is similar

- 1 to that of the other residents of the adult foster care family home
- 2 or small group home.
- 3 (f) The child's cognitive level is consistent with the
- 4 cognitive level of the other residents of the adult foster care
- 5 family home or small group home.
- 6 (g) The child is neurologically disabled and is also
- 7 physically limited to such a degree as to require THAT REQUIRES
- 8 complete physical assistance with mobility and activities of daily
- 9 living.
- 10 (h) The child placing agency or approved governmental unit
- 11 will periodically reevaluate the placement of a child under this
- 12 subsection to determine that the criteria for placement in
- 13 subdivisions (a) to (g) continue to be met.
- 14 (9) Except as provided in subsection (1) and section 5b, the
- 15 department shall issue an initial or renewal license or
- 16 registration under this act for child care centers, group child
- 17 care homes, and family child care homes not later than 6 months
- 18 after the applicant files a completed application. Receipt of the
- 19 application is considered the date the application is received by
- 20 any agency or department of this state. If the application is
- 21 considered incomplete by the department, the department shall
- 22 notify the applicant in writing or make notice electronically
- 23 available within 30 days after receipt of the incomplete
- 24 application, describing the deficiency and requesting additional
- 25 information. This subsection does not affect the time period within
- 26 which an on-site visit to a family child care home shall be made.
- 27 If the department identifies a deficiency or requires the

- 1 fulfillment of a corrective action plan, the 6-month period is
- 2 tolled until either of the following occurs:
- 3 (a) Upon notification by the department of a deficiency, until
- 4 the date the requested information is received by the department.
- 5 (b) Upon notification by the department that a corrective
- 6 action plan is required, until the date the department determines
- 7 the requirements of the corrective action plan have been met.
- 8 (10) The determination of the completeness of an application
- 9 is not an approval of the application for the license and does not
- 10 confer eligibility on an applicant determined otherwise ineligible
- 11 for issuance of a license.
- 12 (11) Except as provided in subsection (1) and section 5b, if
- 13 the department fails to issue or deny a license or registration to
- 14 a child care center, group child care home, or family child care
- 15 home within the time required by this section, the department shall
- 16 return the license or registration fee and shall reduce the license
- 17 or registration fee for the applicant's next renewal application,
- 18 if any, by 15%. Failure to issue or deny a license to a child care
- 19 center, group child care home, or family child care home within the
- 20 time period required under this section does not allow the
- 21 department to otherwise delay the processing of the application. A
- 22 completed application shall be placed in sequence with other
- 23 completed applications received at that same time. The department
- 24 shall not discriminate against an applicant in the processing of an
- 25 application based on the fact that the application fee was refunded
- 26 or discounted under this subsection.
- 27 (12) If, on a continual basis, inspections performed by a

- 1 local health department delay the department in issuing or denying
- 2 licenses or registrations for child care centers, group day care
- 3 homes, and family child care homes under this act within the 6-
- 4 month period, the department may use department staff to complete
- 5 the inspections instead of the local health department causing the
- 6 delays.
- 7 (13) Beginning October 1, 2008, the director of the department
- 8 shall submit a report by December 1 of each year to the standing
- 9 committees and appropriations subcommittees of the senate and house
- 10 of representatives concerned with human services and children's
- 11 issues. The director shall include all of the following information
- 12 regarding applications for licenses and registrations only for
- 13 child care centers, group child care homes, and family child care
- 14 homes filed under this act in the report concerning the preceding
- 15 fiscal year:
- 16 (a) The number of initial and renewal applications the
- 17 department received and completed within the 6-month time period
- 18 described in subsection (9).
- 19 (b) The number of applications requiring a request for
- 20 additional information.
- 21 (c) The number of applications rejected.
- 22 (d) The number of licenses and registrations not issued within
- 23 the 6-month period.
- (e) The average processing time for initial and renewal
- 25 licenses and registrations granted after the 6-month period.
- 26 (14) Except as provided in section 5c(8), the department shall
- 27 not issue to or renew the license of a child care center or day

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

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

- 1 person over 18 years of age residing in that applicant's home has
- 2 been convicted of a listed offense, the department shall not issue
- 3 a license to that applicant. If a criminal history check or
- 4 criminal records check performed under section 5h or 5j or
- 5 information obtained as a result of notification from the
- 6 department of state police under section 5k reveals that an
- 7 applicant for renewal of a license to operate a foster family home
- 8 or foster family group home under this act or a person over 18
- 9 years of age residing in that applicant's home has been convicted
- 10 of a listed offense, the department shall not renew a license to
- 11 that applicant. If a criminal history check or criminal records
- 12 check performed under section 5h or 5j or information obtained as a
- 13 result of notification from the department of state police under
- 14 section 5k reveals that a current licensee under this act of a
- 15 foster family home or foster family group home or a person over 18
- 16 years of age residing in that licensee's foster family home or
- 17 foster family group home has been convicted of a listed offense,
- 18 the department shall revoke that licensee's license.
- 19 (17) As used in this section:
- 20 (A) "CHILD ABUSE" AND "CHILD NEGLECT" MEAN THOSE TERMS AS
- 21 DEFINED IN SECTION 2 OF THE CHILD PROTECTION LAW, 1975 PA 238, MCL
- 22 722.622.
- 23 (B) (a) "Completed application" means an application complete
- 24 on its face and submitted with any applicable licensing or
- 25 registration fees as well as any other information, records,
- 26 approval, security, or similar item required by law or rule from a
- 27 local unit of government, a federal agency, or a private entity but

- 1 not from another department or agency of this state. A completed
- 2 application does not include a health inspection performed by a
- 3 local health department.
- 4 (C) (b) "Good moral character" means that term as defined in
- 5 and determined under 1974 PA 381, MCL 338.41 to 338.47.
- 6 (D) (c) "Member of the household" means any individual, other
- 7 than a foster child, who resides in a foster family home or foster
- 8 family group home on an ongoing or recurrent basis.