

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE BILL 368  
Health Care Committee Substitute Adopted 4/22/15

Short Title: DOD-Certified Child Care & State Subsidy. (Public)

Sponsors:

Referred to:

March 24, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING UNITED STATES DEPARTMENT OF DEFENSE-CERTIFIED  
3 CHILD CARE FACILITIES TO PARTICIPATE IN THE STATE-SUBSIDIZED CHILD  
4 CARE PROGRAM.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 7 of Chapter 110 of the General Statutes is amended by  
7 adding a new section to read:

8 "**§ 110-106.2. Department of Defense-certified child care facilities.**

9 (a) As used in this section, the phrase "Department of Defense-certified child care  
10 facility" shall include child development centers, family child care homes, and school-aged  
11 child care facilities operated aboard a military installation under the authorization of the United  
12 States Department of Defense (Department of Defense) certified by the Department of Defense.

13 (b) Procedure Regarding Department of Defense-Certified Child Care Facilities. –

14 (1) Department of Defense-certified child care facilities shall file with the  
15 Department a notice of intent to operate a child care facility in a form  
16 determined by the Department of Defense.

17 (2) As part of its notice, each Department of Defense-certified child care facility  
18 shall file a report to the Department indicating that it meets the minimum  
19 standards for child care facilities as provided by the Department of Defense.

20 (3) Department of Defense-certified child care facilities that meet all the  
21 requirements of this section shall be exempt from all other requirements of  
22 this Article and shall not be subject to licensure.

23 (4) For purposes of the North Carolina Subsidized Child Care Program,  
24 Department of Defense-certified child care facilities shall be reimbursed as  
25 follows:

26 a. Department of Defense-certified child care facilities that are  
27 accredited by the National Association for the Education of Young  
28 Children (NAEYC) shall be reimbursed at the five-star-rated license  
29 rate.

30 b. All other Department of Defense-certified child care facilities shall  
31 be reimbursed at the four-star-rated license rate."

32 SECTION 2. G.S. 143B-168.15(g) reads as rewritten:

33 "(g) Not less than thirty percent (30%) of the funds spent in each year of each local  
34 partnership's direct services allocation shall be used to expand child care subsidies. To the  
35 extent practicable, these funds shall be used to enhance the affordability, availability, and  
36 quality of child care services as described in this section. The North Carolina Partnership may



1 increase this percentage requirement up to a maximum of fifty percent (50%) when, based upon  
2 a significant local waiting list for subsidized child care, the North Carolina Partnership  
3 determines a higher percentage is justified. Local partnerships shall spend an amount for child  
4 care subsidies that provides at least fifty-two million dollars (\$52,000,000) for the Temporary  
5 Assistance to Needy Families (TANF) maintenance of effort requirement and the Child Care  
6 Development Fund and Block Grant match requirement. Funds allocated under this section  
7 shall supplement and not supplant any federal or State funds allocated to Department of  
8 Defense-certified child care facilities licensed under G.S. 110-106.2."

9       **SECTION 3.** Department of Defense-certified child care facilities licensed  
10 pursuant to G.S. 110-106.2, as enacted in Section 1 of this act, may participate in the  
11 State-subsidized child care program that provides for the purchase of care in child care facilities  
12 for minor children in needy families; provided, that funds allocated from the State-subsidized  
13 child care program to Department of Defense-certified child care facilities shall supplement and  
14 not supplant funds allocated in accordance with G.S. 143B-168.15(g). Payment rates and fees  
15 for military families who choose Department of Defense-certified child care facilities and who  
16 are eligible to receive subsidized child care shall be as determined by the General Assembly in  
17 the Current Operations Appropriations Act for the 2015-2016 fiscal year.

18       **SECTION 4.** This act becomes effective January 1, 2016.