

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

FILED SENATE
May 2, 2024
S.B. 876
PRINCIPAL CLERK

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SENATE BILL DRS35355-LUa-169C

Short Title: QRIS Modernization.

(Public)

Sponsors: Senators Krawiec, Burgin, and Corbin (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPLEMENT STAR-RATING SYSTEM REFORM BY AUTHORIZING THE
3 NORTH CAROLINA CHILD CARE COMMISSION TO ADOPT RULES FOR REFORM,
4 HOLD HARMLESS CHILD CARE FACILITIES WHILE THE COMMISSION
5 IMPLEMENTS STAR-RATING SYSTEM REFORM, AND APPROPRIATE FUNDS FOR
6 ADMINISTRATIVE COSTS ASSOCIATED WITH IMPLEMENTING STAR-RATING
7 SYSTEM REFORM.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** The Department of Health and Human Services, Division of Child
10 Development and Early Education (Division), shall update and revise the quality rating
11 improvement system (QRIS) to include alternative pathways for licensed child care facilities to
12 earn a license of two to five stars based on program standards and education levels of staff as
13 follows:

- 14 (1) A pathway focused on program assessment.
15 (2) A pathway focused on classroom and instructional quality.
16 (3) A pathway focused on accreditation.
17 (4) Any other pathway regarding updating the QRIS designated by the North
18 Carolina Child Care Commission, in its discretion.

19 **SECTION 2.(a)** Upon request, a child care facility may be awarded a star-rated
20 license based on an accreditation from a national childhood education accreditation organization
21 provided the facility maintains its accreditation and remains in good standing. Star-rated licenses
22 based on accreditation shall be issued as follows:

- 23 (1) A three-star-rated license for a facility with an accreditation from any of the
24 following:
25 a. National Early Childhood Program Accreditation (NECPA).
26 b. National Association for Family Child Care (NAFCC).
27 c. American Montessori Society (AMS).
28 d. International Montessori Council (IMC).
29 (2) A five-star-rated license for a facility that meets the criteria of or has an
30 accreditation from any of the following:
31 a. National Association for the Education of Young Children (NAEYC).
32 b. National Accreditation Commission for Early Care and Education
33 Programs (NAC).
34 c. Cognia (formerly AdvanceED) that includes early learning standards.

35 **SECTION 2.(b)** For accreditations earning less than five stars, there shall be
36 additional opportunities to allow a facility to increase its star rating. The Commission may, in its



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1 discretion, reassess an accreditation's star-rating equivalency or increase or decrease the
2 accreditation's star rating if the standard for earning the accreditation is revised. The Commission
3 may approve additional accreditations from national childhood education accreditation
4 organizations and determine their star-rating equivalency upon request.

5 **SECTION 3.** Notwithstanding any other provision of law to the contrary, the
6 Division of Child Development and Early Education (Division) shall not require a child care
7 facility with a two- to five-star-rated license to undergo a QRIS reassessment until rules
8 implementing QRIS reform become effective. However, nothing in this section shall prevent a
9 child care facility with a star-rated license from electing to undergo a QRIS assessment, upon
10 request of the Division, before rules implementing QRIS reform become effective.

11 **SECTION 4.** Effective February 1, 2025, if the Division of Child Development and
12 Early Education issues any new license with a rating of two to five stars to a child care facility
13 or any facility that elects to undergo a QRIS assessment based on a program assessment before
14 rules implementing QRIS reform become effective, the facility shall be evaluated using
15 "Infant/Toddler Environment Rating Scale, Third Edition," "Early Childhood Environment
16 Rating Scale, Third Edition," "School-Age Care Environment Rating Scale, Updated Edition,"
17 or "Family Child Care Environment Rating Scale, Third Edition," as applicable.

18 **SECTION 5.** Notwithstanding any other provision of law to the contrary, when the
19 Division of Child Development and Early Education (Division) issues any new license with a
20 rating of two to five stars to a child care facility or any facility that elects to undergo a QRIS
21 assessment before rules implementing QRIS reform become effective, if the percentage of lead
22 teachers in the facility required to meet the "rated licensed education requirements" criteria is set
23 at seventy-five percent (75%) for the facility to earn those "education points" toward the facility's
24 star rating, the Division shall lower the seventy-five percent (75%) threshold to fifty percent
25 (50%) of lead teachers.

26 **SECTION 6.** G.S. 110-90 reads as rewritten:

27 **"§ 110-90. Powers and duties of Secretary of Health and Human Services.**

28 The Secretary shall have the following powers and duties under the policies and rules of the
29 Commission:

30 ...

31 (4) To issue a rated license to any child care facility which meets the standards
32 established by this Article. ~~The rating shall be based on the following:~~ Article
33 as follows:

34 a. ~~Before January 1, 2008, for~~ For any child care facility currently
35 holding a license of two to five stars, ~~the rating shall be based on~~
36 ~~program standards, education levels of staff, and compliance history~~
37 ~~of the child care facility. By January 1, 2008, the rating shall be based~~
38 ~~on program standards and education levels of staff.~~ stars or any new
39 license issued to a child care facility with a rating of two to five stars,
40 the rating shall be based on (i) program standards and (ii) education
41 levels of staff. When evaluating program standards, the Department
42 shall consider the facility's staff/child ratios, space requirements,
43 continuous quality improvement standards, family and community
44 engagement practices, environmental rating scale evaluations,
45 curriculum, child observation and assessment, staff coaching or
46 mentoring, or accreditation by a national or regional accrediting
47 agency with early childhood standards. When evaluating education
48 levels of staff, the Department shall consider any early childhood and
49 child development coursework, early childhood education certificates,
50 Child Development Associate credentials, associate or bachelor's
51 degrees, continuous quality improvement standards for staff,

continuing education units, early childhood education competency evaluations, work experience in child care, coaching or mentoring completed, and education standards within an accreditation award.

b. ~~Effective January 1, 2006, for any new license issued to a child care facility with a rating of two to five stars, the rating shall be based on program standards and education levels of staff.~~

c. ~~By January 1, 2008, for~~ For any child care facility to maintain a license or Notice of Compliance, the child care facility shall have a compliance history of at least seventy-five percent (75%), as assessed by the Department. When a child care facility fails to maintain a compliance history of at least seventy-five percent (75%) for the past 18 months or during the length of time the facility has operated, whichever is less, as assessed by the Department, the Department may issue a provisional license or Notice of Compliance.

d. ~~Effective January 1, 2006, for any new license or Notice of Compliance issued to a child care facility, the facility shall maintain a compliance history of at least seventy five percent (75%), as assessed by the Department. When a child care facility fails to maintain a compliance history of at least seventy five percent (75%) for the past 18 months or during the length of time the facility has operated, whichever is less, as assessed by the Department, the Department may issue a provisional license or Notice of Compliance.~~

e. The Department shall provide ~~additional opportunities for child care providers to earn points for program standards and education levels of staff.~~ licensed facilities with a rating of two to five stars with an opportunity to earn recognition or acknowledgment for voluntary participation in other quality initiatives or specialties, including educational and programmatic options, that are implemented in addition to quality rating improvement system (QRIS) standards.

...."

SECTION 7. Nothing in this act shall be construed as interfering with the requirements of G.S. 110-88.1 regarding the training or curriculum offered by religious-sponsored child care facilities.

SECTION 8. The North Carolina Child Care Commission shall adopt, amend, or repeal any rules regarding star-rating system reform necessary to implement the provisions of this act, including any rule establishing the star rating to be automatically assessed for child care facilities designated as Head Start programs.

SECTION 9. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education, the sum of five hundred thousand dollars (\$500,000) in recurring funds for the 2024-2025 fiscal year for administrative costs associated with implementing this act.

SECTION 10. Sections 2 through 5 of this act are effective when they become law and expire on the date rules implementing QRIS reform become effective. Section 9 of this act becomes effective July 1, 2024. The remainder of this act is effective when it becomes law.