

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

FILED SENATE
Apr 30, 2026
S.B. 1052
PRINCIPAL CLERK

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SENATE BILL DRS45548-LUa-156A

Short Title: Amend Child Care Definitions/FFN Providers. (Public)

Sponsors: Senators Chaudhuri and Burgin (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ADD A DEFINITION FOR LICENSE-EXEMPT FAMILY, FRIEND, AND
3 NEIGHBOR CHILD CARE PROVIDERS UNDER THE LAWS REGULATING CHILD
4 CARE.

5 Whereas, family, friend, and neighbor (FFN) child care providers represent a broad
6 and diverse category of caregivers who provide informal child care arrangements outside the
7 licensed child care system, including relatives, neighbors, and close family friends; and

8 Whereas, the existing statutory framework under Article 7 of Chapter 110 of the
9 General Statutes does not define or formally recognize license-exempt FFN providers as a
10 distinct category of caregivers, creating ambiguity regarding their legal status, eligibility for
11 support programs, and relationships with the State; and

12 Whereas, formally defining license-exempt FFN providers in statute will clarify their
13 status, enable data collection, facilitate access to relevant support services and food programs,
14 and provide a legal foundation for future policies designed to support this population; and

15 Whereas, this definition does not impose new regulatory requirements on FFN
16 providers and shall not be construed to subject license-exempt FFN providers to licensing
17 obligations under that Article; Now, therefore,

18 The General Assembly of North Carolina enacts:

19 **SECTION 1.** G.S. 110-86 is amended by adding a new subdivision to read:

20 "(6a) License-exempt family, friend, and neighbor (FFN) child care provider. – An
21 individual who satisfies each of the following:

- 22 a. Provides child care to one or more children who are not the individual's
23 own biological, adopted, or step-children, or children for whom the
24 individual is a legal guardian.
25 b. Operates in a setting, including the caregiver's home or the home of
26 the child, that is not required to be licensed as a child care facility
27 under this Article by virtue of the number of children served, the nature
28 of the arrangement, or an applicable exemption under G.S. 110-86(2).
29 c. Has a pre-existing familial, social, or community relationship with the
30 child or the child's family, including but not limited to a grandparent,
31 aunt, uncle, sibling over the age of 18, family friend, or neighbor.
32 d. Is in compliance with all applicable requirements for legally operating
33 a child care arrangement under State law, including, but not limited to,
34 any notification, disclosure, or registration requirements adopted by
35 the Department pursuant to this Article.



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1 The term does not include individuals who are required to obtain a license
2 under this Article. Nothing in this subdivision shall be construed to require
3 license-exempt FFN providers to obtain a license, to register with the State, or
4 to comply with any requirement not otherwise applicable to unlicensed child
5 care arrangements under this Article, unless otherwise required by law."

6 **SECTION 2.** There is appropriated from the General Fund to the Department of
7 Health and Human Services, Division of Child Development and Early Education (Division), the
8 sum of thirty thousand dollars (\$30,000) in nonrecurring funds for the 2025-2026 fiscal year to
9 implement the following:

- 10 (1) Update public-facing materials, including the Division's website, printed
11 guides, and licensing portal, to incorporate the definition of "license-exempt
12 family, friend, and neighbor (FFN) child care provider" established under
13 G.S. 110-86(6a), as enacted by Section 1 of this act, and to clearly
14 communicate to the public the legal status of FFN providers and the
15 distinction between license-exempt FFN arrangements and licensed child care
16 facilities.
- 17 (2) Revise internal legal guidance documents, policy manuals, and staff training
18 materials within the Division to reflect the new statutory definition and its
19 application to eligibility determinations, program access, and enforcement
20 decisions.
- 21 (3) Update the Division's data collection and reporting systems to enable tracking
22 of license-exempt FFN providers as a distinct provider category, including the
23 number of such providers accessing State or federally administered programs,
24 the number of children served, and any relevant demographic or geographic
25 data, to the extent such information is voluntarily reported or otherwise
26 available to the Division.

27 **SECTION 3.** Existing exemptions from child care facility licensing requirements
28 under G.S. 110-86(2), including care provided by relatives and cooperative parent arrangements,
29 are retained without modification. G.S. 110-86(6a), as enacted by Section 1 of this act shall be
30 construed consistently with those exemptions.

31 **SECTION 4.** This act is effective when it becomes law.