

**Testimony**  
**House Bill No.1119**  
**House Human Services Committee**  
**Representative Matthew Ruby, Chairman**  
January 27, 2025

Chairman Ruby, and members of the House Human Services Committee, I am Carmen Traeholt, Early Childhood Services Licensing Administrator with the Department of Health and Human Services (Department). I appear before you in support of House Bill No. 1119, which was introduced at the request of the Department.

As a follow up to conversations that occurred in and around the time of the 2023 Legislative Session, the Department commissioned a comprehensive study that had a purpose of evaluating current child care licensing processes and offering recommendations for improvement. Dr. Kelli Odden, Professor, Dean and Division Chair of Mayville State University Education Department, completed a crosswalk and comparison study of the laws, rules, and policies relevant to North Dakota's 6 license types and 2 non-license types that make up the North Dakota's child care infrastructure. Dr. Odden's study identified areas of redundancy within the 6 license types and suggested streamlining license types defined in law and the associated regulations to reduce administrative challenges and better support child care providers.

House Bill No. 1119 proposes a proactive approach to strengthening North Dakota's child care infrastructure. By streamlining license types, providing clearer pathways for support, and creating flexibility for completing required training, the Bill aims to address the evolving needs of families and child care providers across the state.

The Department has been reaching out to child care providers across the state to solicit feedback on the changes proposed in the Bill throughout the drafting process. Because it may be helpful to you as a reference, I have provided a copy of the summary presentation shared with the Early Childhood Advisory Committee in December.

The simplification that is proposed in the Bill represents a significant change to the state's child care licensing framework. While most providers we spoke to initially expressed some degree of skepticism about the impact the change may have on them personally, as we had an opportunity to talk in more depth about their specific questions and concerns, they overwhelmingly came to see the positive potential of these proposed changes. I will walk through the various sections of the Bill, highlighting key elements in each section.

### **Section 1:**

The proposed changes in Section 1 of the Bill amend section 50-11.1-02 of the North Dakota Century Code by modifying or removing various definitions relevant to this section of law to align to the simplified framework. Additionally, Section 1 offers clarifying language related to use of consistent terminology, provides a definition of child care, which is a term previously undefined in this chapter, and better aligns the definition of "in-home provider" with the definition used in the Child Care Assistance Program.

The changes in this Section help establish the foundation for the combination of several license types into two main license types: Family Child Care and Center Child Care. This simplifies the existing framework, will allow the Department to streamline regulations, and allows providers to increase capacity without needing to apply for a new license. An individual still has the option to register as a self-declared provider.

Page 4 lines 6 through 10 describes an opportunity for programs that meet specific criteria, including employing highly credentialed staff and following a preschool curriculum, to earn a "Preschool Designation" instead of maintaining the requirement that programs pursue a separate preschool license.

Page 4, line 13 through 15, establishes a voluntary "recognized" status for programs operating under six of the 11 license exemptions outlined in law today (NDCC 50-11.1-02(6)). This status would allow programs to voluntarily document that they are operating in compliance with state licensing provisions even though not required to do so and can then also participate in the referral network for families, quality improvement initiatives and grants, training opportunities, and other incentives offered by the Department. The proposal preserves current license exemptions and maintains their status as exempt while creating an opportunity for them to also be "recognized" by the Department.

## **Section 2:**

Today, when the Department determines the number of children in a child care setting for the purposes of licensing. This includes evaluation of the physical space as well as the relationship of the child to the caregiver (i.e. whether a caregiver caring for their own child) The proposed changes in Section 2 of the Bill amend section 50-11.1-02.1 regarding the number of children in a program and how that number is determined. These changes help assure that the state is in alignment with Child Care Development Block Grant requirements for licensing but does not impact the ability of a family child care provider to exempt their own children over the age of eleven from the number of children determination.

Page 5, lines 23 through 26 identifies child care as a permitted use in any residential zoning district as long as the program is licensed by the Department and serves 30 children or fewer, regardless of license type. This change will help address any confusion that may arise due to changes in the terminology used to describe license types, as proposed in the Bill.

**Section 3:**

The proposed changes in Section 3 of the Bill, covering pages 5 through 7, contain additional modifications required to streamline child care licensing structure, clarifying requirements for different types of providers. The Bill removes requirements for various license types and outlines the new criteria for Family Child Care and Center Child Care.

Family Child Care programs would be licensed based on serving 12 or fewer children (Page 5, lines 30-31), while Child Care Centers would be licensed for more than 12 children (Page 6, lines 5-6). Programs will select a license type based on the number of children they serve, helping reduce overlapping provisions and simplifying the licensing process. The proposed changes clarify when a license is required and help ensure compliance with Child Care Development Fund regulations.

The changes being proposed in the Bill do not change the fact that Health and Safety Standards will continue to be monitored for compliance, including characteristics of physical space and staff qualifications. Multiple pathways for staff to meet credentialing requirements will remain, ensuring flexibility and accessibility for providers.

As noted previously, the law changes proposed in the Bill will be supported by a re-write of the Administrative Rules that outline the detailed expectations of child care programs. Administrative rules will provide specific guidance on staff credentialing and requirements based on the type of setting and number of children served (e.g., centers serving 13-30 children vs. 30+ children), including an opportunity for providers with highly qualified staff to be eligible for a Preschool Designation, regardless of their license type.

Page 7, lines 21 through 23 have been struck and a new section, Section 11 of the Bill is being created and enacted related to training and certification requirements.

**Section 4 and Section 8:**

The proposed changes in both Sections 4 and 8 reduce redundancy in language and acknowledge more simply that applicants are already required to show compliance with this chapter and the rules of the Department. Section 4 addresses applications for license and Section 8 addresses self-declarations.

Language related to specific training requirements (Page 9, lines 1-6, and Page 12 lines 28-30 through Page 13 lines 1-9) have been struck and will be found in Section 11 of the Bill, as part of the clarification of expectations and timeframes related to required training.

On page 9, lines 7 through 8, you'll see the transition to a one-year license. This change is being proposed to align to federal requirements that state licensing specialists verify program documentation annually.

## **Section 5**

On page 10, line 6 is updating the subsection reference to align with the new numbering in 50-11.1-03.

## **Section 6**

The proposed change to Section 50-11.1-11 on page 10 line 13 of the Bill adds “recognized” programs to the list of early childhood programs that state and local governments can consider when purchasing services.

## **Section 7**

The proposed change in this Section of the Bill proposes to remove detailed programmatic language on page 10, lines 29-31 and page 11, lines 1-26, to be more aligned with the level of detail present in other sections of chapter 50-11.1. The removal of this language does not change the availability or character of North Dakota’s existing child care resource and referral services.

## **Section 9**

Section 9 expands who is eligible to receive early childhood inclusion support services by adding both registered and recognized programs to the list of eligible programs (Page 14, lines 3-4).

## **Section 10**

Section 10 offers clarifying language for the best-in-class program by acknowledging that eligible programs may also serve children who are younger or older than four years old (page 14, lines 18-19), and corrects the department reference related to approval and certification (page 14, line 28).

## **Section 11**

Section 11 outlines the other major element of the Bill, which is to de-couple the timeframe for completion of annual training requirements from the licensing application timeline by modifying training and certification requirements. The language on page 15 lines 15-28 describes how the timelines established for staff members to complete required training will be de-coupled from license timeline requirements. The proposed change will establish a unified training calendar, which means that annual training requirements will align with the calendar year (January 1 through December 1) instead of the license renewal deadline. This will eliminate the de facto Blackout Period that exists today; with the change, providers will receive licensing credit for training completed at any time during the calendar year. New staff will still be required to complete Pre-Service Training, basic child course and Pediatric CPR/AED and Pediatric First Aid within 90 days of hire date; this timeline remains tied to individual hire dates.

To implement this change, the licensing team will change how they monitor training requirements. Annual training from January 1 to December 31 will be reviewed during the following year's renewal visit. Licensing Specialists will also choose a random sample of staff training records. If compliant, no action is needed; non-compliance may lead to a correction order or corrective action.

## **Section 12**

The changes on page 16, lines 2-11 offer clarifying language related to the definition of in-home child care and eligibility for child care assistance. The amended language states that child care assistance may be available when, due to health and/or disability, it is not feasible for a child to receive care outside their home and an in-home provider is required.

Families of children with special needs face unique challenges in securing appropriate child care. This provision has the potential to serve as an essential resource, but it is underutilized due to confusing and outdated definitions, and burdensome and unclear documentation requirements.

### **Section 13**

Page 16 lines 12-13 repeal sections 50-11.1-02.3, training on infant safe sleep practices, and 50-11.1-02-4, mandated reporter of suspected child abuse or neglect training as these training requirements are now specified in the language outlined in Section 11 of the Bill.

### **Section 14**

Page 16, line 14 proposes the Act is set to become effective on April 1, 2026. To implement the changes, the Department will need to modify the technology system that is used to track training for owners and staff, to reflect the new requirements and align with the revised license types and training criteria.

The Department will also need to revise the administrative rules to ensure they align with the proposed changes in training requirements and licensing framework. These updates will ensure that the system and rules are consistent with the new licensing structure and support the effective implementation of the Act. The Department is committed to conducting an inclusive rulemaking process. If the changes outlined in the Bill are approved, we will immediately start working with child care providers to review the proposed revisions to the seven chapters of North Dakota Administrative Code that are relevant to child care licensing.



Overall, the changes proposed in House Bill No. 1119 aim to create a more efficient, flexible, and user-friendly licensing framework by modernizing and streamlining the licensing process while maintaining flexibility, health and safety standards, and support for early childhood experiences of all types. The simplified training and licensing frameworks will make the process easier to understand for families and providers, while also enabling timely updates to systems and rules. Our goal is to support, not hinder, the availability of quality, affordable child care in communities all across our state.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.