

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 951

Short Title: SOS (State Owned Structures) Child Care Act. (Public)

Sponsors: Representatives Helfrich, Hawkins, Liu, and Colvin (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

April 14, 2025

A BILL TO BE ENTITLED

1
2 AN ACT TO ALLOW THE USE OF STATE-OWNED PROPERTY FOR THE USE OF CHILD
3 CARE FOR STATE EMPLOYEES, TO REQUIRE RENOVATIONS OR NEW BUILDS
4 OF STATE-OWNED PROPERTY TO INCLUDE A CHILD CARE CENTER OR ADULT
5 CARE CENTER, TO CREATE A PILOT PROGRAM FOR USE OF STATE-OWNED
6 PROPERTY FOR CHILD CARE FACILITIES FOR STATE EMPLOYEES, TO CREATE
7 A PILOT PROGRAM FOR COUNTY GRANTS FOR THIRD-SHIFT CHILD CARE FOR
8 FIRST RESPONDERS, TO REQUIRE A FEASIBILITY STUDY FOR ON-SITE CHILD
9 CARE AT EACH NORTH CAROLINA COMMUNITY COLLEGE AND COLLEGE IN
10 THE UNIVERSITY OF NORTH CAROLINA SYSTEM, AND TO ESTABLISH A
11 WORKGROUP TO EXAMINE STREAMLINING LICENSURE REQUIREMENTS FOR
12 PHYSICAL STRUCTURES FOR COMMERCIAL CHILD CARE FACILITIES.

13 The General Assembly of North Carolina enacts:

14
15 **PART I. USE OF STATE-OWNED PROPERTY FOR CHILD CARE CENTERS FOR**
16 **STATE EMPLOYEES**

17 **SECTION 1.(a)** The Department of Administration shall report to the Joint
18 Legislative Oversight Committee on Health and Human Services and the Joint Legislative
19 Commission on Governmental Operations, no later than March 31, 2026, on the feasibility and
20 advisability of using obsolete or underutilized State-owned buildings (available buildings) to
21 house child care facilities giving child care priority to State employees. The report shall include
22 the following:

- 23 (1) Location of each available building.
24 (2) Estimated costs for upfitting each property to meet daycare licensing
25 standards.
26 (3) Estimated costs for asbestos and lead remediation.
27 (4) Barriers to the available buildings' use as a child care facility.

28 **SECTION 1.(b)** Any project undertaken by the State to build or renovate property
29 having a budget greater than five million dollars (\$5,000,000) shall include a child care center or
30 adult day care center if more than 250 people would work in the building. This requirement
31 includes current projects which have not broken ground by July 1, 2025, unless one or both of
32 the following exceptions apply:

- 33 (1) Inclusion of either type of center would delay the project by six months or
34 more.



- 1 (2) Inclusion of either type of center would increase the project cost by ten percent
2 (10%) or more.
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4 **PART II. CHILD CARE FOR STATE EMPLOYEES**

5 **SECTION 2.(a)** The Division of Child Development and Early Education shall
6 establish a pilot program for onsite child care for State employees as follows:

- 7 (1) The Division of Child Development and Early Education shall contract with
8 a private commercial child care provider to establish three child care centers
9 for State employees' use to be established on State-owned property that is
10 unused or underutilized.
11 (2) Priority in contracting shall be given to commercial child care providers who
12 currently operate five or fewer facilities and provide high-quality child care.
13 (3) The Division of Child Development and Early Education must include the
14 following terms in the contract with the commercial child care providers:
15 a. The child care facility must operate an apprenticeship program in
16 conjunction with a public or private university or community college
17 who operates an early child care education program.
18 b. The child care center must comply with the requirements established
19 by the Division of Child Development and Early Education for the
20 apprenticeship program.
21 c. The child care center must maintain the operation of the apprenticeship
22 program for so long as the child care center is housed in State-owned
23 property and the university or community college is willing to
24 continue the partnership.
25 d. The State will provide the upfit cost of the space to meet the licensure
26 requirements at reasonable levels that are customary at the operators'
27 other facilities and those similarly situated and provide use of the space
28 rent free, notwithstanding the provisions of G.S. 146-29.1.
29 e. The lease terms for State-owned property must be approved as
30 required by G.S. 146-27.

31 **SECTION 2.(b)** The Division of Child Development and Early Education shall
32 create the requirements for the apprenticeship program and pair the child care centers with a
33 university or community college early education program utilizing parameters similar to the
34 Durham Childcare Apprenticeship Program.

35 **SECTION 2.(c)** There is appropriated from the General Fund to the Department of
36 Health and Human Services the sum of five million dollars (\$5,000,000) for the 2025-2026 fiscal
37 year for the Division of Child Development and Early Education's use in establishing the child
38 care centers as required by Section 2(a) of this act.

39 **SECTION 2.(d)** If any expenses are incurred by the State for asbestos or lead
40 remediation in establishing the child care centers required by Section 2(a) of this act, the State
41 shall be eligible for reimbursement from the Asbestos and Lead Remediation Fund subject to the
42 rules of the fund for up to five hundred thousand dollars (\$500,000).

43 **SECTION 2.(e)** By April 1, 2027, the Division of Child Development and Early
44 Education shall report on and make recommendations to the Joint Legislative Oversight
45 Committee on Health and Human Services, the Joint Legislative Oversight Committee on
46 General Government, and the Fiscal Research Division the status of the implementation of the
47 pilot program, including successes, concerns, problems encountered, enrollment, and
48 expenditures.

49 **SECTION 2.(f)** Sections 2(c) and 2(d) of this act are effective July 1, 2025.
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51 **PART III. ON-SITE CHILD CARE FOR THIRD-SHIFT FIRST RESPONDERS**

1 **SECTION 3.(a)** There is appropriated from the General Fund to the Department of
2 Health and Human Services the sum of six million dollars (\$6,000,000) for the 2025-2026 fiscal
3 year for a pilot program to provide counties grants to establish third-shift child care for first
4 responders, with priority to be given to third-shift facilities operated in unused or underutilized
5 county-owned buildings. By April 1, 2027, the Department of Health and Human Services shall
6 report on and make recommendations to the Joint Legislative Oversight Committee on Health
7 and Human Services, the Joint Legislative Oversight Committee on General Government, and
8 the Fiscal Research Division regarding the implementation of the pilot program, including
9 successes, concerns, problems encountered, enrollment, and expenditures.

10 **SECTION 3.(b)** Section 3(a) of this act is effective July 1, 2025.

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12 **PART IV. ON-SITE CHILD CARE AT EACH NORTH CAROLINA COMMUNITY**
13 **COLLEGE AND COLLEGE IN THE UNIVERSITY OF NORTH CAROLINA SYSTEM**

14 **SECTION 4.1.(a)** Report. – The State Board of Community Colleges shall study
15 and report to the Joint Legislative Education Oversight Committee, the Joint Legislative
16 Oversight Committee on Health and Human Services, and the Fiscal Research Division, no later
17 than March 31, 2026, on the feasibility and advisability of implementing a publicly available
18 child care program on every community college campus that offers priority enrollment to the
19 children of community college employees and students. The report shall include the following:

- 20 (1) Recommendations for implementing the child care program.
- 21 (2) Estimated costs for implementation and maintenance of the child care
22 program.
- 23 (3) Return on investment of the child care program.
- 24 (4) Issues related to historical and ongoing utilization of grants or other funding.
- 25 (5) Barriers to implementation of the child care program.

26 **SECTION 4.1.(b)** There is appropriated from the General Fund to the Community
27 Colleges System Office the sum of one hundred thousand dollars (\$100,000) for the study
28 required by Section 4.1(a) of this act.

29 **SECTION 4.1.(c)** Section 4.1(b) of this act is effective July 1, 2025.

30 **SECTION 4.2.(a)** The Board of Governors of The University of North Carolina shall
31 study and report to the Joint Legislative Education Oversight Committee, the Joint Legislative
32 Oversight Committee on Health and Human Services, and the Fiscal Research Division, no later
33 than March 31, 2026, on the feasibility and advisability of implementing a publicly available
34 child care program at each constituent institution campus that offers priority enrollment to the
35 children of university employees and students. The report shall include:

- 36 (1) Recommendations for implementing the child care program.
- 37 (2) Estimated costs for implementation and maintenance of the child care
38 program.
- 39 (3) Return on investment of the child care program.
- 40 (4) Issues related to historical and ongoing utilization of grants or other funding.
- 41 (5) Barriers to implementation of the child care program.

42 **SECTION 4.2.(b)** There is appropriated from the General Fund to the Board of
43 Governors the sum of one hundred thousand dollars (\$100,000) for the study required by Section
44 4.2(a) of this act.

45 **SECTION 4.2.(c)** Section 4.2(b) of this act is effective July 1, 2025.

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47 **PART V. ESTABLISH WORKGROUP TO EXAMINE STREAMLINING LICENSURE**
48 **REQUIREMENTS FOR PHYSICAL STRUCTURE OF COMMERCIAL CHILD CARE**
49 **FACILITIES**

50 **SECTION 5.(a)** The Division of Child Development and Early Education shall
51 establish the Commercial Child Care Licensure Workgroup to examine streamlining

1 requirements related to the physical structure of commercial child care centers. The workgroup
2 shall consist of one representative from each of the following to be chosen by the North Carolina
3 Child Care Commission:

- 4 (1) The Division of Child Development and Early Education.
- 5 (2) The Office of the State Fire Marshal.
- 6 (3) The Department of Insurance.
- 7 (4) The North Carolina Building Code Council.
- 8 (5) The Division of Public Health.
- 9 (6) The League of Municipalities.
- 10 (7) The North Carolina Association of County Commissioners.

11 The North Carolina Child Care Commission shall also appoint two commissioners to
12 the workgroup who shall also serve as cochairs of the workgroup.

13 **SECTION 5.(b)** The workgroup shall develop findings and recommendations related
14 to at least the following:

- 15 (1) Streamlining the licensing requirements related to the physical facilities
16 related to commercial child care facilities, including building codes, fire
17 codes, and sanitation codes.
- 18 (2) Developing statewide, uniform application of the commercial child care
19 licensing requirements related to the physical facility, including building
20 codes, fire codes, and sanitation codes and statewide, uniform inspections
21 related to those codes.
- 22 (3) Resolving conflicts between various code requirements for commercial child
23 care licensing.

24 **SECTION 5.(c)** By January 1, 2026, the Division of Child Development and Early
25 Education shall report the findings and recommendations of the workgroup to the Joint
26 Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight
27 Committee on General Government, and the Fiscal Research Division.

28 **PART VI. EFFECTIVE DATE**

29 **SECTION 6.** Except as otherwise provided, this act is effective when it becomes
30 law.
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