

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

H

1

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

The General Assembly of North Carolina enacts:

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

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

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

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

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



- (2) Inclusion of either type of center would increase the project cost by ten percent (10%) or more.

PART II. CHILD CARE FOR STATE EMPLOYEES

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

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

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

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

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

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

SECTION 2.(f) Sections 2(c) and 2(d) of this act are effective July 1, 2025.

PART III. ON-SITE CHILD CARE FOR THIRD-SHIFT FIRST RESPONDERS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PART VI. EFFECTIVE DATE

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