CHILD CARE RULE MAKING PETITION

submitted by

YADKIN COUNTY CHILD CARE EXPANSION PLANNING TEAM

Yadkin County is a rural county in the Yadkin Valley or Piedmont area of the State of North Carolina. Its population is approximately 37,214 with 15,247 households. **Approximately 5.1% of the population is under 5 years of age.** Languages **other than English are spoken in 10.1%** of the homes within Yadkin County.

According to the NC Department of Commerce in May 2022 there were **15,075 residents working outside of the home**; with 7,367 residents working within the county. There were 8,368 travelling outside of the county and another 143 outside of the state to work. There are an estimated 5,149 residents of other counties travelling into Yadkin County to work.

Of the 25 largest employers within the county, per the NC Department of Commerce, 4 were in manufacturing and **manufacturing represented 2,754 employees** in the 4th quarter of 2021. Most of the manufacturers operate 2nd and 3rd shifts, in addition to 1st , with some operating all 3 shifts 7 days per week.

In a study conducted by the Shallow Ford Foundation in 2021, they found significant issues with child care in the Lewisville, Clemmons and Yadkin County area. Within the field of child care, there is a **critical labor shortage** and high turnover rates due to **low wages**. It is difficult for Child Care Centers to compete with larger industries or even McDonalds who are able to offer much higher wages. With prices for operational costs increasing due to inflation and supply-chain issues, it is challenging for Centers to cover personnel costs and increased operational costs without increasing their fees to families. Families are already struggling to make ends meet. . Unfortunately, there is an insufficient amount of state-allocated childcare subsidies to offset the increased costs of operating a Child Care Center.

Over the past year, Smart Start received a grant to **recruit** new family home providers. There were 6 inquiries, but due to residential restrictions, regulations and, licensing requirements, there has been no follow-through or further interest from the inquiries. Expanding residential-based childcare is not a viable option.

Yadkin County has seen a significant **reduction in child care centers and family child care homes** over the past 12 years. In 2010, there were 9 private childcare

centers. Today there are 4. In 2010, there were 11 family child care homes. Today there are only **2 family childcare homes** in Yadkin County. Employees left the workforce during COVID to stay home with their children. We have not returned to pre-COVID levels in either regard.

Yadkin County has **26 licensed child care facilities**, 14 of which are NC Pre-K programs operated by the Yadkin County Public Schools and 2 private-pay pre-schools also operated by Yadkin County Schools. Three head start programs are operated through YVEDDI, Inc. There are 3 privately-owned child care centers and 2 family child care homes. The other two daycare facilities are operated by a church and the East Coast Migrant Head Start. Of the privately-owned facilities only one is above a 3-star rated license.

All of these child care facilities are only open for the 1st shift, **none offer 2nd shift or 3rd shift options** for those employees in manufacturing to work those shifts. There are **no child care facilities open on weekends**. There are no programs that have **bilingual** staff available to work with infants-toddlers.

Infants and toddlers are defined as young children **birth up to 3 years of age**. Seven (7) of the 26 child care facilities in Yadkin County will provide care for this age group. With the exception of 1, all of them provide care to children up through age 12. The one exception provides care birth through age 5.

According to the 2021-2022 Yadkin County Infant-Toddler Child Care Landscape Study conducted by the Child Care Services Association, there are **1,132 children** age 2 and under within Yadkin County. Of this number, there are **636 of them with all parents working**; while as of 10/7/2022, there are only **64 children age 2 and under enrolled** in licensed child care facilities within the county. Since 2017, there has been a 39% decreased in enrolled slots.

According to the Shallow Ford Foundation Study, there are **too few centers/slots** for full-day care, with up to **two-year waiting lists** at every Center. **Rural communities too often feel the impact more** that urban communities. As illustration, in Yadkin County, there are **19 children for every licensed slot**, compared to 5.66 children per slot in Forsyth County.

Child care market rates are based upon what **providers report**, not what Yadkin County residents are paying for child care. Due to the lack of child care within the county, residents either **transport** their children to child care facilities **outside the**

county or leave them with family, friends, neighbors or others who are **not licensed** as a child care facility.

Adequate and appropriate child care is critical to support the current and much-needed workforce in Yadkin County. We have to offer alternatives to the traditional Child Care Center and Family Child Care Homes. We have to offer options that encourage new child care providers and help these small business operators succeed. This includes finding ways to help them raise wages, attract workers to this field, and increase operating efficiencies.

North Carolina General Statutes and Administrative Code define child care facilities as a child care center or family child care home. We need more alternatives to meet the ever **changing needs of the workforce** that will also **meet the needs of the child care providers**. We need to seek opportunities for providers to **reduce costs** without negatively **affecting efficiencies or quality**.

We organized a small group of stakeholders in Yadkin County to collaborate on possible solutions that could help resolve some of the issues described above. The model we would like to propose is **a hybrid** between a child care center and a family child care home that is called a **Flex-Plex**.

Imagine one building that can accommodate 6 individual and independently licensed child care providers in an environment that has the aesthetics and warmth of a family child care home. Each provider's space has its own entrance to the facility and each provider's space is fully equipped with a kitchenette, restroom, washer/dryer and shared/scheduled spaces indoors and outdoors for age-appropriate activities. The shared spaces would be utilized on a set schedule so that at no time would any group be co-mingled. The facility would be owned, and maintained by a childcare-supporting non-profit that could also offer support services such as purchasing, payroll, HR functions and assist with state reporting. The efficiencies realized would ensure that childcare owners and their employees earn a livable income. Yadkin County needs a new model to reinvigorate child care as a career, as an essential service for its young families, and to support employers who are struggling with a shrinking workforce. The goal of the Flex Plex is to address the child care and early learning of children under the age of five (5).

This is our vision and while reviewing the current Child Care Rules, there are a few Rules that would **prohibit** the Flex Plex concept from becoming a reality, as well as

interpretations of the Rules. A few of these barriers may be eliminated by interpretation of the Rules.

For example, premises would include the entire property, which contains six (6) individual child care centers that would have their own individual address. This would be similar to one building that provides multiple offices or businesses that are located on the same property, but function and are owned independently. While having the **same physical address**, they would be **identified by Suite 100, Suite 200, Suite 300**, etc. This concept would help **decrease** some of the **overhead expenses** incurred by individual operators who own or rent their entire building and allow people interested in a Family Child Care Home that don't have the space within their home to provide child care services.

To accomplish our vision, we have identified a few changes needed to the **Child Care Rules**. While these are the ones we have identified, their adoption may **require changes to other Rules and North Carolina General Statutes as well**. We would like to **petition the Child Care Commission** to consider our request to change the Rules as explained below. We would be glad to have **further conversations** and provide additional information if needed to assist the Commission in developing options to help increase the availability of child care services, not only in Yadkin County, but across North Carolina.

Child Care Rule .0302(e) – Application for a license for a child care center. The Rule states in (1) (that the Division will) "issue a **single license for the address** of the center …" implying that multiple centers could not be licensed at the same physical address, so this presents a **barrier** to the Flex Plex concept that would offer one facility at one physical address with 6 individually licensed day care centers. As previously stated, the Flex Plex would be **one building accommodating up to 6 individually licensed** centers that would have their **own entrance and address** (Suite) similar to a multi-unit office building. We would request to **amend this language to adding**:

> ***(f) issue multiple licenses for centers located on the same premises when all locations have different mailing addresses, emergency contact addresses and separate entrances if all applicable requirements of G.S. 110, Article 7 and this Section are met.***

Child Care Rule .0605(c) and (d) – Outdoor learning environment in child care centers. We recognize that having **6 centers with children of different ages** has the potential to cause co-mingling of children and other challenges. We envision one outdoor learning environment that has **age appropriate spaces and equipment**. To prevent co-mingling of children and overcrowding of the outdoor learning environment,

each Center would be scheduled at different times to allow only one Center utilizing the Outdoor Learning space at **one time and maintain the appropriate staff/child** ratios. Therefore, we would **propose adding the following to (d) which already allows centers to share playground space:**

> ***"Upon the Division's receipt of a written request, a center located on the same premise as a multiplex / unit license facility, can share playground space if meeting staff/child ratios for the children who are in care.***

Child Care Rule .0713 – Staff/Child Ratios. Each of the Centers in the Flex Plex will have 25 or fewer children. We would like to request a change in the grouping of children together and combine the 3 to 4 year-olds and 4 to 5 year-olds to form the **3 to 5 age** grouping and **maintain it at the 15/1 child/staff ratio** rather than increasing the 4 to 5 years to the 20/1 ratio as currently provided in Rule .0713. Therefore, we would propose adding the following:

(f) The staff/child ratios and group sizes for a child care center with a licensed capacity of no more than 25 children are as follows:

Age of children	*No. of Children*	*No. Staff*	*Max Group Size*	*Min. No. Staff*
0 to 12 months	*5*	*1*	*10*	*2*
12-24 months	*6*	*1*	*12*	*2*
2 to 3 years	*10*	*1*	*20*	*2*
3 to 5 years	*15*	*1*	*25*	*2*
5 years and up	*25*	*1*	*25*	*1*

Child Care Rule .0703: General Statutory Requirements. Child Care Rules and North Carolina General Statutes specify the requirements for Teacher's Aides, Teachers and Lead Teachers and Administrators of Child Care Centers and Family Child Care Homes. **Child Care Rule .0703** addresses the General Statutory Requirements for lead teachers and child care administrators and required documentation. Item (e) addresses a **special provision for child care centers in an occupied residence** allowing the person responsible for **administering** the child care **program and planning** to also **meet the requirements of the lead teacher** in Rules .0710. To assist with staff efficiencies, as well as programmatic efficiencies, we would request this **same provision be applied to Child Care Centers with no more than 25 children by adding to Child Care Rule .0703**

(e1) In a child care center with a licensed capacity of no more than 25 children, the person who has responsibility for the programs and planning daily activities

for a group of children shall meet lead teacher requirements and may serve as administrator.

It is our goal that each Child Care Center in the Flex-Plex meet the **Enhanced Standards** as set forth in **Section .2800** in the Child Care Rules. Being that we have **requested a change in Rule .0703 allowing a lead teacher to serve as the administrator** in a child care center with a licensed capacity of no more than 25 children, it is important that this same change be made in Section .2819 (e). This Section establishes **different educational requirements** for the lead teacher who also has the responsibilities of an administrator for centers in a residence. So, we would **request that there be an (e1) added** which states, " **In a child care center with a licensed capacity of no more than 25 children, if an individual has the responsibility for both administering the child care program and for planning and implementing the daily activities of a group of children, the educational requirements for lead teacher in Rule .2820 of this Section shall apply. All other teachers shall follow the education requirements for teachers in this Section."**

These are the primary barriers that we saw in the Rules that would prevent other options, such as the Flex-Plex from occurring. We need to be creative in meeting child care needs, while maintaining the safety of our children. We don't have all of the answers, but a few ideas that may help this crisis that providers and families are going through. North Carolina has great Rules and Regulations for traditional child care centers and family child care homes, but we need more alternatives to meet the child care demands across the State. By working together and having conversations, we can all make a difference in the lives of children and their families.

Please let us know what other information you would like or if you would like to have a conversation about our ideas.

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