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## State of Minnesota

## HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2877

03/26/2025

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The bill was read for the first time and referred to the Committee on Children and Families Finance and Policy

1.1 A bill for an act  
1.2 relating to children, youth, and families; modifying group family day care  
1.3 child-adult capacity ratios and age distribution restrictions; amending Minnesota  
1.4 Statutes 2024, sections 142B.05, by adding a subdivision; 142B.30, subdivision  
1.5 1; 142B.41, subdivisions 1, 4.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2024, section 142B.05, is amended by adding a subdivision  
1.8 to read:

1.9 Subd. 9. Group family day care child-adult capacity ratios; age distribution  
1.10 restrictions. (a) The commissioner must issue group family day care licenses according to  
1.11 the capacity ratios and age distribution restrictions in this subdivision. For purposes of this  
1.12 subdivision, "group family day care" means day care for no more than 18 children at any  
1.13 one time. The total number of children includes all children of any caregiver when the  
1.14 children are present in the residence.

1.15 (b) For a group family day care program with a licensed capacity of ten children, one  
1.16 adult must serve no more than ten children under 11 years old. Of those ten, no more than  
1.17 eight may be under five years old. Of those eight, no more than two may be under 12 months  
1.18 but over six weeks old.

1.19 (c) For a group family day care program with a licensed capacity of 12 children, one  
1.20 adult must serve no more than 12 children under 11 years old. Of those 12, no more than  
1.21 ten may be under five years old. Of those ten, no more than two may be under 12 months  
1.22 but over six weeks old.

(d) For a group family day care program with a licensed capacity of 18 children, two adults must serve no more than 18 children under 11 years old. Of those 18, no more than 16 may be under five years old. Of those 16, no more than four may be under 12 months but over six weeks old. For licenses issued under this paragraph, a helper may take the place of a second adult caregiver when there is no more than one child under 12 months but over six weeks old present.

Sec. 2. Minnesota Statutes 2024, section 142B.30, subdivision 1, is amended to read:

Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private agencies that have been designated or licensed by the commissioner to perform licensing functions and activities under section 142B.10; to recommend denial of applicants under section 142B.15; to issue correction orders, to issue variances, and to recommend a conditional license under section 142B.16; or to recommend suspending or revoking a license or issuing a fine under section 142B.18, shall comply with rules and directives of the commissioner governing those functions and with this section. The following variances are excluded from the delegation of variance authority and may be issued only by the commissioner:

(1) dual licensure of family child care and family child foster care;

(2) child foster care maximum age requirement;

(3) variances regarding disqualified individuals;

(4) variances to requirements relating to chemical use problems of a license holder or a household member of a license holder; and

(5) variances to section 142B.74 for a time-limited period. If the commissioner grants a variance under this clause, the license holder must provide notice of the variance to all parents and guardians of the children in care.

(b) The commissioners of human services and children, youth, and families must both approve a variance for dual licensure of family child foster care and family adult foster care or family adult foster care and family child care. Variances under this paragraph are excluded from the delegation of variance authority and may be issued only by both commissioners.

(c) Except as provided in section 142B.41, subdivision 4, paragraph (e), a county agency must not grant a license holder a variance to exceed the maximum allowable family child care license capacity of ~~14~~ 18 children.

(d) A county agency that has been designated by the commissioner to issue family child care variances must:

(1) publish the county agency's policies and criteria for issuing variances on the county's public website and update the policies as necessary; and

(2) annually distribute the county agency's policies and criteria for issuing variances to all family child care license holders in the county.

(e) Before the implementation of NETStudy 2.0, county agencies must report information about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the commissioner at least monthly in a format prescribed by the commissioner.

(f) For family child care programs, the commissioner shall require a county agency to conduct one unannounced licensing review at least annually.

(g) A license issued under this section may be issued for up to two years.

(h) A county agency shall report to the commissioner, in a manner prescribed by the commissioner, the following information for a licensed family child care program:

(1) the results of each licensing review completed, including the date of the review, and any licensing correction order issued;

(2) any death, serious injury, or determination of substantiated maltreatment; and

(3) any fires that require the service of a fire department within 48 hours of the fire. The information under this clause must also be reported to the state fire marshal within two business days of receiving notice from a licensed family child care provider.

Sec. 3. Minnesota Statutes 2024, section 142B.41, subdivision 1, is amended to read:

Subdivision 1. **Permitted single-family residential use.** A licensed nonresidential program with a licensed capacity of 12 or fewer persons and a group family day care facility licensed under Minnesota Rules, parts 9502.0315 to 9502.0445, to serve ~~14~~ 18 or fewer children shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations.

Sec. 4. Minnesota Statutes 2024, section 142B.41, subdivision 4, is amended to read:

Subd. 4. **Special family child care homes.** (a) Nonresidential child care programs serving ~~14~~ 18 or fewer children that are conducted at a location other than the license holder's

4.1 own residence shall be licensed under this section and the rules governing family child care  
4.2 or group family child care if:

4.3 (1) the license holder is the primary provider of care and the nonresidential child care  
4.4 program is conducted in a dwelling that is located on a residential lot;

4.5 (2) the license holder is an employer who may or may not be the primary provider of  
4.6 care, and the purpose for the child care program is to provide child care services to children  
4.7 of the license holder's employees;

4.8 (3) the license holder is a church or religious organization;

4.9 (4) the license holder is a community collaborative child care provider. For purposes of  
4.10 this subdivision, a community collaborative child care provider is a provider participating  
4.11 in a cooperative agreement with a community action agency as defined in section 142F.301;

4.12 (5) the license holder is a not-for-profit agency that provides child care in a dwelling  
4.13 located on a residential lot and the license holder maintains two or more contracts with  
4.14 community employers or other community organizations to provide child care services.  
4.15 The county licensing agency may grant a capacity variance to a license holder licensed  
4.16 under this clause to exceed the licensed capacity of ~~14~~ 18 children by no more than five  
4.17 children during transition periods related to the work schedules of parents, if the license  
4.18 holder meets the following requirements:

4.19 (i) the program does not exceed a capacity of ~~14~~ 18 children more than a cumulative  
4.20 total of four hours per day;

4.21 (ii) the program meets a one to ~~seven~~ nine staff-to-child ratio during the variance period;

4.22 (iii) all employees receive at least an extra four hours of training per year than required  
4.23 in the rules governing family child care each year;

4.24 (iv) the facility has square footage required per child under Minnesota Rules, part  
4.25 9502.0425;

4.26 (v) the program is in compliance with local zoning regulations;

4.27 (vi) the program is in compliance with the applicable fire code as follows:

4.28 (A) if the program serves more than five children older than 2-1/2 years of age, but no  
4.29 more than five children 2-1/2 years of age or less, the applicable fire code is educational  
4.30 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2020,  
4.31 Section 202; or

(B) if the program serves more than five children 2-1/2 years of age or less, the applicable fire code is Group I-4 Occupancy, as provided in the Minnesota State Fire Code 2020, Section 202, unless the rooms in which the children 2-1/2 years of age or younger are cared for are located on a level of exit discharge and each of these child care rooms has an exit door directly to the exterior, then the applicable fire code is Group E Occupancy, as provided in the Minnesota State Fire Code 2020, Section 202; and

(vii) any age and capacity limitations required by the fire code inspection and square footage determinations shall be printed on the license; or

(6) the license holder is the primary provider of care and has located the licensed child care program in a commercial space, if the license holder meets the following requirements:

(i) the program is in compliance with local zoning regulations;

(ii) the program is in compliance with the applicable fire code as follows:

(A) if the program serves more than five children older than 2-1/2 years of age, but no more than five children 2-1/2 years of age or less, the applicable fire code is educational occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2020, Section 202; or

(B) if the program serves more than five children 2-1/2 years of age or less, the applicable fire code is Group I-4 Occupancy, as provided under the Minnesota State Fire Code 2020, Section 202, unless the rooms in which the children 2-1/2 years of age or younger are cared for are located on a level of exit discharge and each of these child care rooms has an exit door directly to the exterior, then the applicable fire code is Group E Occupancy, as provided in the Minnesota State Fire Code 2020, Section 202;

(iii) any age and capacity limitations required by the fire code inspection and square footage determinations are printed on the license; and

(iv) the license holder prominently displays the license issued by the commissioner which contains the statement "This special family child care provider is not licensed as a child care center."

(b) Notwithstanding Minnesota Rules, part 9502.0335, subpart 12, the commissioner may issue up to four licenses to an organization licensed under paragraph (a), clause (2), (3), or (5). Each license must have its own primary provider of care as required under paragraph (d). Each license must operate as a distinct and separate program in compliance with all applicable laws and regulations.

(c) For licenses issued under paragraph (a), clause (2), (3), (4), (5), or (6), the commissioner may approve up to four licenses at the same location or under one contiguous roof if each license holder is able to demonstrate compliance with all applicable rules and laws. Each licensed program must operate as a distinct program and within the capacity, age, and ratio distributions of each license.

(d) For a license issued under paragraph (a), clause (2), (3), or (5), the license holder must designate a person to be the primary provider of care at the licensed location on a form and in a manner prescribed by the commissioner. The license holder shall notify the commissioner in writing before there is a change of the person designated to be the primary provider of care. The primary provider of care:

(1) must be the person who will be the provider of care at the program and present during the hours of operation;

(2) must operate the program in compliance with applicable laws and regulations under this chapter and Minnesota Rules, chapter 9502;

(3) is considered a child care background study subject as defined in section 245C.02, subdivision 6a, and must comply with background study requirements in chapter 245C;

(4) must complete the training that is required of license holders in section 142B.70; and

(5) is authorized to communicate with the county licensing agency and the department on matters related to licensing.

(e) For any license issued under this subdivision, the license holder must ensure that any other caregiver, substitute, or helper who assists in the care of children meets the training requirements in section 142B.70 and background study requirements under chapter 245C.