142I.03 LICENSING PROCESS.

Subdivision 1. **License application.** (a) An applicant for a family child care license must follow the requirements of this section and section 142B.10.

(b) Applicants must use the application issued by the department. The application must be made in the county where the family child care program will operate.

(c) Applicants must be the proposed license holders of the family child care program.

(d) An application for licensure is complete and ready for the agency's review after the applicant completes, signs, and submits all department forms and documentation needed for licensure to the agency and the agency receives all inspection, zoning, evaluation, and investigative reports, documentation, and information required to verify compliance with this chapter and applicable statutes, including a completed background study for individuals subject to a study, as required under chapter 245C.

Subd. 2. **Licensing study.** (a) The applicant must give the agency access to the family child care program for a licensing study to determine compliance with all applicable rules and statutes.

(b) If the commissioner determines a potentially hazardous condition exists due to noncompliance with this chapter or local ordinances, the applicant must obtain an inspection from a fire marshal, building official, or authorized community health board agent under section 145A.04 to verify the absence of hazard or identify needed corrections. Any condition cited as hazardous and creating an immediate danger of fire or threat to life or safety must be corrected.

(c) An applicant must undergo an initial inspection of the family child care program by a fire marshal to determine compliance with the State Fire Code and compliance with orders issued if the program:

(1) has freestanding solid-fuel-heating appliances;

(2) will operate in a manufactured or mobile home;

(3) will use a basement for child care;

(4) is located in mixed- or multiple-occupancy buildings. For the purposes of this clause, "mixed-occupancy building" means a structure that contains nonresidential occupancies, such as an attached garage, and "multiple-occupancy building" means a structure with two or more residential dwelling units, such as a duplex, apartment building, or townhome; or

(5) is located in a commercial space.

Subd. 3. **Ineligibility factors.** (a) An applicant, caregiver, or any person who resides where the family child care program operates and who is present when children are in care or works with the children in care is prohibited from:

(1) abusing prescribed or nonprescribed drugs or using alcohol or controlled substances specified in chapter 152 to the extent that the use or abuse has or may have a negative effect on the ability of the primary provider of care to give care or is apparent during the hours of operation;

(2) having had a child placed in foster care within the prior 12 months for reasons that the agency determines reflect on the ability of the license holder or the primary provider of care to safely provide family child care. This clause does not apply if the primary reason for the placement was due to a physical illness

of the parent due to a disability of the child, including developmental disability of the child; or for the temporary care of a newborn or infant being relinquished for adoption;

(3) having had a child placed in a residential facility within the prior 12 months for reasons that the agency determines reflect on the ability of the license holder or the primary provider of care to safely provide family child care; or

(4) exhibiting behavior that could pose a risk to children being served in the family child care program. Additional assessments or documentation may be requested to determine the impact on the provider's ability to provide care.

(b) Caregivers who have abused prescribed or nonprescribed drugs or have been dependent on alcohol or controlled substances specified in chapter 152, such that the use, abuse, or dependency has negatively affected the ability to give care, was apparent during the hours of operation, or required treatment or therapy, must have 12 months of verified abstinence before licensure.

Subd. 4. **Variances.** The department may grant variances to this chapter. Upon receipt of a variance request, the department must make a determination on the variance request within 30 business days.

Subd. 5. **Posting license.** The license holder must post the license in the family child care program in a location where parents, visitors, and authorized representatives of the commissioner can easily access and view the license.

Subd. 6. **Change in license terms.** A license holder must submit a new application form in accordance with section 142B.10 before:

(1) relocating the family child care program;

(2) changing from family child care to community-based family child care;

(3) changing from community-based family child care to family child care;

(4) changing between any class A and class C license type; or

(5) changing a current C license class to a higher C license class.

Subd. 7. **Number of licenses.** Each individual applicant is limited to one family child care license.

Subd. 8. **Access to program.** As required in section 142B.10, subdivision 12, caregivers must give authorized representatives of the commissioner access to the family child care program premises during the hours of operation.

Subd. 9. **Disposal of license.** When a family child care program is closed, or if a license is revoked, suspended, or not renewed, the license holder must remove the license from being posted in the home within 14 days of ceasing operation or upon the final order of revocation, denial, or suspension of license; stop all advertising; and refrain from providing care to children as required in section 142B.05, subdivision 1.

Subd. 10. **Local government authority.** The authority of local units of government to establish requirements for family child care programs is limited by section 299F.011, subdivision 4a, paragraph (a), clauses (1) and (2).

Subd. 11. **Background studies.** All individuals subject to a background study must comply with the requirements of chapter 245C.

Subd. 12. **Child care license holder insurance.** (a) The license holder must complete and provide to parents a form prescribed by the commissioner that includes information about the license holder's liability insurance status. The license holder must update the form and obtain each parent's signature whenever insurance coverage changes, a policy lapses, or a new policy takes effect. If the license holder has a continuous insurance policy that renews each year, the license holder may indicate the policy's renewal date in the initial written notice to parents, and no further notices are required until the insurance coverage changes or the policy lapses.

(b) The form under this subdivision must include the date of the policy's expiration or renewal or indicate if the license holder does not carry liability insurance.

(c) A copy of the current certificate of liability insurance must be made available upon request to parents, the commissioner, and agency licensing staff.

History: *2013 c 108 art 3 s 19; 2018 c 200 s 7; 2024 c 80 art 2 s 74; 2024 c 115 art 16 s 41; 2026 c 127 art 13 s 3*