

CHAPTER 160**(HJR 50)**

A JOINT RESOLUTION directing the Auditor of Public Accounts to study the applicable statutes, administrative regulations, and agency policies and processes that directly impact the opening and operation of licensed and certified child care services in the Commonwealth.

WHEREAS, recent research demonstrates that access to licensed and certified child care services is necessary to support workforce participation in the Commonwealth; and

WHEREAS, recent research demonstrates that many Kentucky communities face challenges in ensuring access to child care services for working families; and

WHEREAS, the Kentucky General Assembly has identified the need to create a consensus-driven process to ease regulatory burdens on current and future child care providers while ensuring the safety of children and quality child care and early childhood education services in the Commonwealth;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. (1) The Auditor of Public Accounts shall contract with a qualified and independent third party to conduct a comprehensive study of applicable statutes, administrative regulations, and agency policies and processes that directly impact the opening and operation of licensed and certified child care services in the Commonwealth. The Auditor of Public Accounts shall submit a final report and recommendations to reform, streamline, and modernize or maintain existing statutes, administrative regulations, and agency policies and processes governing the licensing and certification of child care programs to the Legislative Research Commission by December 1, 2027, for referral to the Interim Joint Committee on Families and Children.

(2) Key elements of the study shall include but not be limited to:

(a) An evaluation of existing Kentucky statutes, administrative regulations, and agency policies and processes governing the licensing and certification of child care programs to identify statutory, regulatory, and administrative barriers to starting and operating licensed and certified child care services;

(b) A comparison of Kentucky's statutes, administrative regulations, and agency policies and processes governing the licensing and certification of child care programs to those in peer states and to the recommendations and guidelines of the most recent edition of Caring for our Children: National Health and Safety Performance Standards; Guidelines for Early Care and Education Programs;

(c) A detailed analysis of how federal laws impact state statutes, administrative regulations, and agency policies and processes governing the licensing and certification of child care programs;

(d) An identification of instances where existing statutes, administrative regulations, and agency policies and processes governing the licensing and certification of child care programs are duplicative, confusing, excessive, or ineffective;

(e) Surveys and focus groups of key stakeholders, including but not limited to the Kentucky Child Care Advisory Council, licensed and certified child care providers, early childhood educators employed in licensed and certified child care programs, executive branch officials involved in regulating licensed and certified child care providers, representatives from local child care resource and referral agencies, public policy experts with expertise in child care issues, legal professionals with expertise in child care issues, experts in issues related to child welfare and child abuse prevention, pediatric care professionals, small business coaching services, parents of young children, advocates for individuals with special needs, early childhood education professionals at colleges and universities based in Kentucky, and Kentucky employers;

(f) Recommendations for licensed and certified child care sectors to make greater use of the General Regulatory Sandbox Program established in KRS 15.268; and

(g) Recommendations for administrative regulations to allow for outdoor, nature-based early learning and child care programs.

(3) The study shall include surveys and focus groups on existing statutes, administrative regulations, and agency policies and processes governing the licensing and certification of child care programs from nonlicensed and

noncertified child care providers. In addition, the study shall gather quantitative and qualitative data from a wide range of licensed and certified child care providers, including providers operating in different regions of the state, having different ratings under the Kentucky All STARS program, providing faith-based and nonfaith-based programming, serving various numbers of children, and serving children from families of various income levels. In gathering data, the study shall guarantee anonymity to participating stakeholders to the greatest extent possible.

(4) The study shall exclude from the scope of review analysis of child-to-teacher ratios and maximum group sizes.

(5) In addition to the key study elements listed in subsection (2) of this section, the study shall include an analysis of local regulatory barriers to child care services and shall recommend best practices for local governments to utilize when evaluating local ordinances, regulations, and zoning and land-use rules pertaining to the availability of child care services in local communities in alignment with the Certified Child Care Community Designation Program established in KRS 199.891. These recommendations and best practices shall focus on balancing health and safety with increasing the supply of child care services and easing local regulatory barriers, and shall include but not be limited to the following topics:

(a) Local land-use policies and zoning ordinances related to child care services, including but not limited to:

1. Recommendations for definitions for terms such as "child care," "licensed child-care center," "licensed family child-care center," "child-care microcenter," and "certified family child-care home";

2. Recommendations on where child care services should be permitted by right, with special standards, and with conditional use permits;

3. Recommendations for requirements for compliance with conditional use permits and special standards;

4. Best practices for safely permitting child care services in or near industrial areas;

5. Best practices for playgrounds associated with child care services; and

6. Recommendations for parking and drop-off and pick-up requirements, where applicable;

(b) Policies pertaining to local permitting fees for starting and operating child care services or any other type of local fee impacting child care services; and

(c) Policies related to other local ordinances and regulations that may pertain to the availability of child care services in local communities.

(6) In recommending best practices for local governments, the study shall include surveys and focus groups of various stakeholders, including local government officials representing different types of communities and regions from around the state, planning and design professionals, licensed and certified child care providers, representatives from child care resource and referral agencies, public policy experts with expertise in child care issues, legal professionals with expertise in child care issues, local law enforcement professionals, local health departments, fire marshals, and employers.

(7) The qualified and independent third party under contract with the Auditor of Public Accounts shall routinely consult and collaborate with the Kentucky Child Care Advisory Council established in KRS 199.8983 during the course of its analysis and as it develops recommendations for the final report. The qualified and independent third party shall seek feedback from the council, shall provide quarterly updates to the council, and shall submit a draft final report to the council for review by November 1, 2027.

Veto Overridden April 14, 2026.