



**DEPARTMENT OF CHILDREN,
YOUTH, AND FAMILIES**

Child Care Licensing and Investigations

House Children and Families Committee - February 24, 2026

Child Care Licensing

Randy Keys, Inspector General

Child care licensing reviews

- Every licensed child care program must be visited at least once each calendar year.
- Visits must be unannounced.
- Required by
 - federal Child Care and Development Block Grant – 45 CFR 98.42 (b)(2)(i)(B) and,
 - Minnesota state law – Minnesota Statutes, sections 142B.02, subd. 7(f) and 142B.30, subd. 1(f).

Licensed child care regulation – A partially delegated system

Child Care Centers (CCC) are directly licensed by DCYF.

- Licenses issued directly by DCYF
- DCYF licensors conduct inspections and visits
- DCYF issues licensing actions
- As of Jan. 1, 2026, there were 1,813 licensed centers

Family Child Care (FCC) is licensed through a delegated system with counties.

- DCYF licenses FCC providers based on counties' recommendations
- County licensors conduct inspections and visits
- Counties recommend licensing actions to be issued by DCYF
- As of Jan. 1, 2026, there were 5,441 licensed FCC providers

Child care center licensing review process

- DCYF licensors ensure every center on their caseload is visited at least once during the calendar year.
- A few months prior to the annual licensing review visit, the licensor emails a Notice of Re-inspection (NOR) to the authorized agent.
- The licensor conducts the on-site, unannounced visit. Visits may be a full inspection or modified inspection.
- The visit ends with an exit interview to discuss violations or potential violations.

Child care center Early & Often program

- Funded by the 2019 Legislature - response to the OLA reports on the child care assistance program.
- Provides earlier technical assistance to new programs and ensures earlier program integrity oversight than in the past.
- New centers receive four visits from their licensor during their first year of operation, with a joint licensing and Early & Often Investigator visit during the 1st and 3rd quarters, including an attendance record review.
- First licensing visit is an **announced** technical assistance visit.
- Subsequent licensing visits are **unannounced**. If there are violations, a correction order can be issued or another action can be taken.

License-exempt certified child care centers

Certified license-exempt child care centers:

- meet specific criteria to be exempt from licensure but must be certified in order to receive child care assistance payments, and
 - meet minimum health and safety requirements.
- As of Jan. 1, 2026, there are 611 certified centers.
 - DCYF licensors ensure every license-exempt certified child care center on their caseload is visited at least once during the calendar year.
 - Visits are announced.

Complaint investigations

- Concerns about licensing violations may come in from a variety of sources.
- DCYF conducts investigations for licensing violations in licensed or certified child care centers.
- Counties conduct investigations for licensing violations in family child care.
- Investigation may include an announced or unannounced site visit, depending on the situation.
- Counties and DCYF may take action, depending on the outcome of the investigation.

Maltreatment investigations

- Concerns about alleged maltreatment can be reported to multiple sources (e.g. child protection, county licensing, law enforcement, DCYF).
- DCYF conducts investigations for alleged maltreatment in licensed or certified child care centers.
- Counties conduct investigations for family child care.
- Counties and DCYF may take action, depending on the outcome of the investigation.

Visits of licensed and certified child care centers by year

| Licensed Child Care Center | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 |
| Unannounced Visit | 1,923 | 2,553 | 2,780 | 2,765 | 2,905 |
| Announced Visit | 324 | 527 | 621 | 491 | 626 |
| Announced/Unannounced ¹ | 122 | 119 | 181 | 208 | 133 |
| Desk Review | 301 | 349 | 301 | 354 | 372 |
| Total Visits | 2,670 | 3,548 | 3,883 | 3,818 | 4,036 |
| Certified Child Care Center | | | | | |
| | 2021 | 2022 | 2023 | 2024 | 2025 |
| Unannounced | 23 | 36 | 48 | 38 | 44 |
| Announced | 361 | 552 | 617 | 606 | 629 |
| Announced/Unannounced ¹ | 5 | 7 | 4 | 3 | 3 |
| Desk Review | 110 | 56 | 107 | 129 | 67 |
| Total Visits | 499 | 651 | 776 | 776 | 743 |

¹ Whether a visit is announced or unannounced depends on its review type. Some review types could either be announced or unannounced.

Visits of family child care providers by year

| Family Child Care | | | | | |
|--|-------|-------|-------|-------|-------|
| | 2021 | 2022 | 2023 | 2024 | 2025 |
| Unannounced | 6,420 | 6,295 | 6,305 | 6,042 | 5,687 |
| Announced | 686 | 811 | 738 | 595 | 560 |
| Announced/Unannounced¹ | 10 | 7 | 0 | 2 | 1 |
| Desk Review | 7 | 4 | 0 | 0 | 0 |
| Total Visits | 7,123 | 7,117 | 7,043 | 6,639 | 6,248 |

¹ Whether a visit is announced or unannounced depends on its review type. Some review types could either be announced or unannounced.

Data as of January 5, 2026

Recent legislative changes impacting licensing reviews

- Effective July 1, 2026, providers may request interpretive guidance from the department prior to requesting reconsideration of a correction order.
 - Possible changes to clarify scope and align with modernization project.
- Effective July 1, 2026, county family child care licensors must use the ELICI tool during an inspection and complete the inspection report on site with the license holder.
 - Consultations with supervisor or DCYF often need to occur prior to finalizing a visit checklist, areas without internet access, technology issues, could lead to longer visits which will be more disruptive and burdensome for providers.
 - Minnesota Statutes, section 142B.30, subd. 11, already requires licensors to use ELICI in the manner prescribed by the commissioner.

Child Care Licensing Modernization

Randy Keys, Inspector General

Licensing: First Step to Higher Quality

- ***Role of Licensing.*** To establish foundational health and safety standards, setting a baseline for programs to legally operate that ensures children are safe, protected and their development is supported in healthy, enriching environments.
- ***Role of Quality Improvement Supports.*** DCYF provides supports to help programs go beyond the baseline set by Licensing, providing a framework for best practices in early care and education that optimize children's development and families' experiences.

Quality improvement supports include:

- Parent Aware, Minnesota's Quality Rating and Improvement System
- Accreditation Fee Reimbursement
- Training, Coaching, Higher Education Scholarships, and Grants

Child care regulation modernization directive

Weighted Risk System will:

- Structure violations based on level of risk
- Assign licensing sanction severity based on risk level

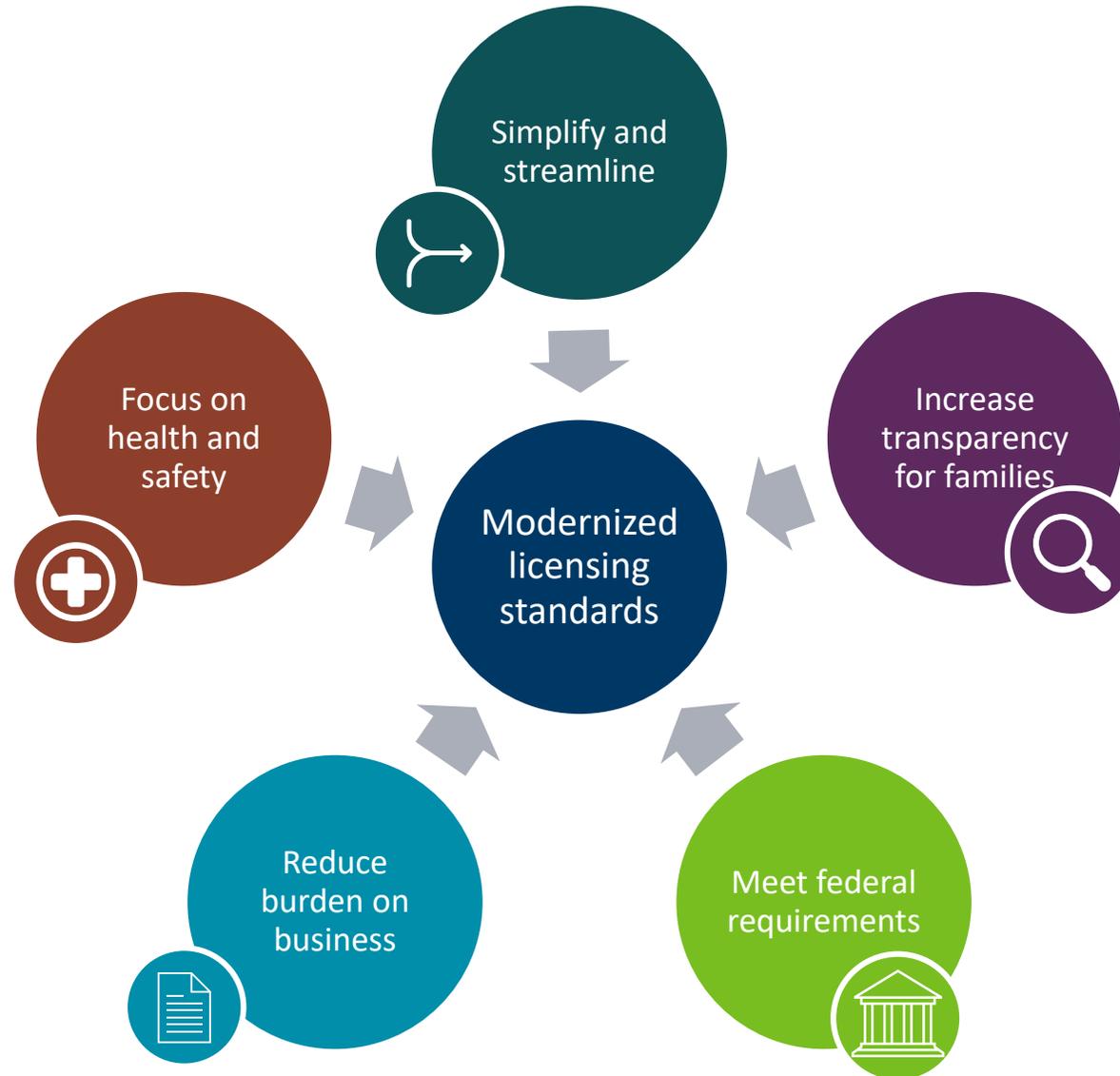
Abbreviated inspections will:

- Base eligibility on past compliance history
- Allow shorter licensing inspections

Licensing standards must:

- Protect the health and safety of children
- Be child centered
- Be family friendly
- Be fair to providers

Balancing multiple goals for licensing standards



Feedback Process

- October 2022: DHS's first stakeholder survey
- March 2023 – April 2024: NARA initial draft refinement
- April – August 2024: Draft 1
 - 23 Listening sessions
 - Statewide survey
 - Individual provider interviews
 - 6 County licenser focus groups
- Feb – July 2025: Draft 2
 - 50 In-person and virtual events
 - Statewide survey
 - 12 Licensor focus groups
- January 2026: Legislative Report/Proposed Standards
 - Sent to over 20,000 recipients



Key changes – Child care centers

-   **Staff.** Reduced and simplified qualifications and reduced hours of annual in-service training.
-  **Activities and equipment.** Simplified and clarified language.
-   **Health.** Removed requirements to collect annual physicals and a child's dental provider information, reduced frequency of health consultant visits for programs serving infants, and clarified food allergy requirements.
-  **Outdoor play and fall zones.** Established fall zone safety requirements and expectations for daily outdoor activities.
-  **Facilities.** Established fire inspections every 5 years.

Key changes – Family child care

-   **Process.** Streamlined the number of license classes and moved variance approval to DCYF for consistency.
-  **Capacity.** Expanded capacity in several licensing classes.
-  **Activities.** Clarified rules around activities and equipment while maintaining flexibility.
-   **Training.** Reorganized training requirements to increase clarity, reduced number of continuing education hours, and added fire prevention training requirements every 5 years.
-  **Overnight care.** Added and clarified requirements.
-   **Transparency.** Required parental notification of the presence of firearms.

Potential Legislative Timeline

February 17– Legislative session begins

Legislature potentially considers proposed language

Legislature may modify proposal

Must pass before implementation planning can start



May 18 – Session ends

Final legislative action known

Department begins implementation planning



July 1, 2027 – Tentative effective date

Date recommended by DCYF – Legislature may change

Additional engagement and training will occur before effective date

Thank You