

Impact Analysis

Two Through Five Star Rated Licenses

August 2025

Agency: DHHS/Division of Child Development & Early Education

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Rule Citations: 10A NCAC 09 .2801 Scope
10A NCAC 09 .2802 Application for a Two Through Five Star Rated License
10A NCAC 09 .2806 Caregiving Activities for Preschool-Aged Children
10A NCAC 09 .2809 Enhanced Space Requirements
10A NCAC 09 .2817 Enhanced Program Standards for Child Care Centers
10A NCAC 09 .2818 Enhanced Staff/Child Ratios for a Rated License for Child Care Centers
10A NCAC 09 .2819 Enhanced Education Standards for On-Site Administrators for a Rated License for Child Care Centers
10A NCAC 09 .2820 Enhanced Education Standards for Lead Teachers for a Rated License for Child Care Centers
10A NCAC 09 .2821 Enhanced Education Standards for Teachers for a Rated License for Child Care Centers
10A NCAC 09 .2822 Enhanced Education Standards for Program Coordinators for a Rated License for Child Care Centers
10A NCAC 09 .2823 Enhanced Education Standards for Group Leaders and Assistant Group Leaders for a Rated License for Child care Centers and for Centers That Provide Care Only to School-Age Children
10A NCAC 09 .2824 Enhanced Education Standards for a Rated License for Administrators for Centers That Provide Care Only to School-Age Children
10A NCAC 09 .2825 Enhanced Education Standards for Program Coordinators for a Rated License for Centers That Provide Care Only to School-Age Children
10A NCAC 09 .2827 Enhanced Education Standards for Operators for a Rated License for Family Child Care Homes
10A NCAC 09 .2828 Enhanced Program Standards for a Rated License for Family Child Care Homes
10A NCAC 09 .2829 Quality Point Options
10A NCAC 09 .2830 Maintaining the Star Rating
10A NCAC 09 .2831 How an Operator May Request or Appeal a Change in Rating

Statutory Authority: G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3; S.L. 2011-145, ss.10.7(b)

Impact Summary:	State Gov. Impact:	No
	Local Gov. Impact:	No
	Substantial Economic Impact:	No
	Private Sector Impact:	No

Background

This set of rules is being repealed by the NC Child Care Commission (“the Commission”) in response to the adoption of Child Care Rule 10A NCAC 09 Section .3200, following Session Laws 2023-40 and 2024-34 regarding the modernization of the state’s quality rating improvement system (QRIS). QRIS is based on a star-rating licensing system that applies to child care centers and family child care homes that meet all minimum child care requirements which include but are not limited to health and safety standards and those who voluntarily choose to meet higher standards. The purpose of the star-rating system is twofold:

- 1) to promote high-quality child care by providing pathways for child care facilities to meet enhanced standards; and
- 2) to give parents a simple tool to help make informed decisions about the quality of a facility based on standardized educational and programmatic factors.

In February 2023, the Commission initiated a project to modernize North Carolina’s QRIS, commonly known as the Star Rated License, in anticipation of impending legislation. The Commission formed a QRIS Sub-Committee that was tasked with developing recommendations for QRIS Modernization. One of the products of the QRIS Sub-Committee was a [legislative report](#), which was submitted to the Joint Legislative Oversight Committee on Health and Human Services on March 28, 2024. The report outlined a recommended plan for QRIS Modernization which reflected feedback from the community regarding the needs of licensed child care operators and staff throughout North Carolina. The Commission has focused on providing additional pathways for early childhood professionals to demonstrate quality and for child care facilities to earn Star Rated Licenses.

In July 2024, Session Law 2024-34 became effective and outlines the QRIS framework, pathways and recommendations of the legislative report. Subsequently, the Commission began the rulemaking process by drafting proposed QRIS rules which resulted in the following timeline of rulemaking activities:

February 3, 2025	Publication of Proposed QRIS Rules and Impact Analysis
March 26, 2025	Public Hearing on Proposed QRIS Rules
April 4, 2025	Conclusion of 60-Day Public Comment Period
April 22, 2025	Commission Voted to Adopt Published QRIS Rules without changes
June 26, 2025	Rules Review Commission (RRC)

On July 1, 2025, the proposed QRIS rules become effective, incorporating all the elements of QRIS required by legislation as well as additional changes necessary for administrative clarity. Estimated quantified costs related to QRIS were captured in the impact analysis of proposed QRIS Section .3200, which were largely attributable to session law.

Analysis

The proposed repeal of Section .2800 removes former QRIS requirements which are no longer applicable to licensed child care facilities in North Carolina with the adoption of Section .3200. The repeal of 10A NCAC 09 .2800 will not itself result in any fiscal impacts other than incremental improvement to administrative clarity. This action aligns with the

broader efforts to modernize the streamline the regulatory framework for child care facilities, ensuring that the rules remain relevant and effective. The following points elaborate on why the repeal of Section .2800 will not result in any fiscal impacts:

1. **Redundancy of Rules:** The rules in Section .2800 are being repealed because they have been replaced by the new rules in Section .3200. The new rules incorporate all necessary elements as well as improvements, making the old rules redundant. Therefore, there are no new costs or benefits associated with the proposed repeal.
2. **No Additional Requirements:** The repeal will not introduce any new requirements or standards that would necessitate additional spending by state or local governments, or the private sector. The existing infrastructure and processes are sufficient to support the new rules.
3. **Administrative Clarity:** The repeal is part of an effort to streamline and modernize the regulatory framework, which can actually reduce administrative burdens and costs. By removing outdated or redundant rules, the regulatory environment becomes clearer and easier to navigate, potentially saving time and resources. Any potential savings from this change are expected to be negligible.
4. **Legislative Compliance:** This action is also in response to legislative mandates (S.L. 2023-40 and 2024-34). The fiscal impacts associated with this legislation were considered during the adoption of the associated rules in Section .3200. The repeal of Section .2800 is simply a continuation of this process.

ATTACHMENT OF RULES

10A NCAC 09 .2801 is proposed for repeal as follows:

SECTION .2800 - TWO THROUGH FIVE STAR RATED LICENSES

10A NCAC 09 .2801 SCOPE

History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3;
Eff. April 1, 1999;
Amended Eff. July 1, 2010; May 1, 2006;
Readopted Eff. March 1, ~~2019~~ 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2802 is proposed for repeal as follows:

10A NCAC 09 .2802 APPLICATION FOR A TWO THROUGH FIVE STAR RATED LICENSE

History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3; S.L. 2011-145, s.10.7(b);
Eff. April 1, 1999;
Amended Eff. September 1, 2012; July 1, 2010; May 1, 2006;
Readopted Eff. March 1, ~~2019~~ 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2806 is proposed for repeal as follows:

10A NCAC 09 .2806 CAREGIVING ACTIVITIES FOR PRESCHOOL-AGED CHILDREN

History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3;
Eff. April 1, 1999;
Prior to amendment of May 1, 2006 this language was located in Rule .1612;
Amended Eff. May 1, 2013; May 1, 2006;
Readopted Eff. March 1, ~~2019~~ 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2809 is proposed for repeal as follows:

10A NCAC 09 .2809 ENHANCED SPACE REQUIREMENTS

History Note: Authority G.S. 110-88(7); 110-90(4); 143B-168.3;
Eff. April 1, 1999;

Prior to amendment of May 1, 2006 this language was located in Rule .1604;
Amended Eff. May 1, 2006;
Readopted Eff. March 1, 2019;
Amended Eff. July 1, 2023; February 1, ~~2021~~, 2021;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2817 is proposed for repeal as follows:

10A NCAC 09 .2817 ENHANCED PROGRAM STANDARDS FOR CHILD CARE CENTERS

History Note: Authority G.S. 110-88(7); 110-90(4); 143B-168.3;
Eff. May 1, 2006;
Readopted Eff. March 1, 2019;
Amended Eff. February 1, ~~2021~~, 2021;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2818 is proposed for repeal as follows:

10A NCAC 09 .2818 ENHANCED STAFF/CHILD RATIOS FOR A RATED LICENSE FOR CHILD CARE CENTERS

History Note: Authority G.S. 110-88(7); 143B-168.3;
Eff. May 1, 2006;
Readopted Eff. March 1, ~~2019~~, 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2819 is proposed for repeal as follows:

10A NCAC 09 .2819 ENHANCED EDUCATION STANDARDS FOR ON-SITE ADMINISTRATORS FOR A RATED LICENSE FOR CHILD CARE CENTERS

History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3;
Eff. May 1, 2006;
Amended Eff. August 1, 2012;
Readopted Eff. March 1, ~~2019~~, 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2820-.2825 are proposed for repeal as follows:

1 **10A NCAC 09 .2820 ENHANCED EDUCATION STANDARDS FOR LEAD TEACHERS FOR A RATED LICENSE**
2 **FOR CHILD CARE CENTERS**
3 **10A NCAC 09 .2821 ENHANCED EDUCATION STANDARDS FOR TEACHERS FOR A RATED LICENSE FOR**
4 **CHILD CARE CENTERS**
5 **10A NCAC 09 .2822 ENHANCED EDUCATION STANDARDS FOR PROGRAM COORDINATORS FOR A**
6 **RATED LICENSE FOR CHILD CARE CENTERS**
7 **10A NCAC 09 .2823 ENHANCED EDUCATION STANDARDS FOR GROUP LEADERS AND ASSISTANT**
8 **GROUP LEADERS FOR A RATED LICENSE FOR CHILD CARE CENTERS AND FOR**
9 **CENTERS THAT PROVIDE CARE ONLY TO SCHOOL-AGE CHILDREN**
10 **10A NCAC 09 .2824 ENHANCED EDUCATION STANDARDS FOR A RATED LICENSE FOR**
11 **ADMINISTRATORS FOR CENTERS THAT PROVIDE CARE ONLY TO SCHOOL-AGE**
12 **CHILDREN**
13 **10A NCAC 09 .2825 ENHANCED EDUCATION STANDARDS FOR PROGRAM COORDINATORS FOR A**
14 **RATED LICENSE FOR CENTERS THAT PROVIDE CARE ONLY TO SCHOOL-AGE**
15 **CHILDREN**

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17 *History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3;*
18 *Eff. August 1, 2012;*
19 *Readopted Eff. March 1, ~~2019~~ 2019;*
20 *Repealed Eff. January 1, 2026.*
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22 10A NCAC 09 .2827 is proposed for repeal as follows:
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24 **10A NCAC 09 .2827 ENHANCED EDUCATION STANDARDS FOR OPERATORS FOR A RATED LICENSE FOR**
25 **FAMILY CHILD CARE HOMES**
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27 *History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3;*
28 *Eff. May 1, 2006;*
29 *Amended Eff. August 1, 2012;*
30 *Readopted Eff. March 1, ~~2019~~ 2019;*
31 *Repealed Eff. January 1, 2026.*
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33 10A NCAC 09 .2828 is proposed for repeal as follows:
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35 **10A NCAC 09 .2828 ENHANCED PROGRAM STANDARDS FOR A RATED LICENSE FOR FAMILY CHILD**
36 **CARE HOMES**
37

38 *History Note: Authority G.S. 110-88(7); 110-90(4); 143B-168.3;*
39 *Eff. May 1, 2006;*

Recodified from Rule .2821 Eff. August 1, 2012;
Readopted Eff. March 1, 2019;
Amended Eff. July 1, ~~2021~~ 2021;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2829 is proposed for repeal as follows:

10A NCAC 09 .2829 QUALITY POINT OPTIONS

History Note: Authority G.S. 110-85; 110-88(7); 110-90(4); 143B-168.3; S.L. 2011-145, s. 10.7(b);
Eff. May 1, 2006;
Amended Eff. December 1, 2006;
Recodified from Rule .2823 Eff. August 1, 2012;
Amended Eff. July 1, 2015; September 1, 2012;
Readopted Eff. March 1, ~~2019~~ 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2830 is proposed for repeal as follows:

10A NCAC 09 .2830 MAINTAINING THE STAR RATING

History Note: Authority G.S. 110-88(7); 110-90(4); 143B-168.3;
Eff. April 1, 1999;
Recodified from Rule .2809 Eff. May 1, 2006;
Recodified from Rule .2824 Eff. August 1, 2012;
Readopted Eff. March 1, ~~2019~~ 2019;
Repealed Eff. January 1, 2026.

10A NCAC 09 .2831 is proposed for repeal as follows:

10A NCAC 09 .2831 HOW AN OPERATOR MAY REQUEST OR APPEAL A CHANGE IN RATING

History Note: Authority G.S. 110-88(7); 110-90(4); 143B-168.3;
Recodified from Rule .2810 Eff. May 1, 2006;
Amended Eff. May 1, 2006;
Recodified from Rule .2825 Eff. August 1, 2012;
Readopted Eff. March 1, ~~2019~~ 2019;
Repealed Eff. January 1, 2026.