



SENATE BILL 2509

By Oliver

AN ACT to amend Tennessee Code Annotated, Title 13, Chapter 7 and Title 71, Chapter 3, relative to childcare agencies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act is known and may be cited as the "Tennessee Child Care Red Tape Reduction Act."

SECTION 2. Tennessee Code Annotated, Section 71-3-501, is amended by adding the following as a new, appropriately designated subdivision:

( ) "Fire safety inspection" means an inspection conducted to determine compliance with fire prevention and life safety codes applicable to a child care agency;

SECTION 3. Tennessee Code Annotated, Title 71, Chapter 3, Part 5, is amended by adding the following as a new section:

(a) **Legislative findings.** The general assembly finds and declares that:

(1) Access to quality, affordable child care is essential to this state's economic competitiveness and workforce participation;

(2) Child care providers face significant regulatory barriers, including duplicative inspections, inconsistent requirements, and lengthy approval processes that discourage business development;

(3) Employers seeking to provide on-site child care for their employees encounter unnecessary zoning obstacles despite the clear workforce benefits;

(4) Streamlining child care agency licensing will reduce costs for providers, expedite the opening of new agencies, and better serve this state's families; and

(5) Eliminating duplicative state and local inspections while maintaining appropriate safety standards serves the public interest.

**(b) Priority processing of permit applications by local governments.**

(1) Local governments shall establish and maintain an expedited review process for all child care agency permit applications, including conditional use permit applications submitted pursuant to subsection (d), that prioritizes the applications above other non-emergency permitting activities.

(2) Child care agency permit applications must be processed with the same priority level as affordable housing development applications and must be assigned for review within five (5) business days of receipt of a complete application.

(3) A local government may:

(A) Designate sufficient staff to ensure timely processing of permit applications;

(B) Provide applicants with a single point of contact for all permitting questions;

(C) Conduct an initial completeness review within ten (10) business days of receipt and notify applicants of any deficiencies; and

(D) Except as provided in subdivision (d)(6), issue a final permitting decision within ninety (90) calendar days of receipt of a complete permit application, unless the applicant agrees in writing to an extension.

(4) If the local government fails to issue a final decision within the ninety-day period and no extension has been granted, then the permit application is

deemed approved, subject to successful completion of a required fire safety inspection under subsection (c).

(c) **State fire safety inspection authority.**

(1) **Exclusive inspection authority.** Notwithstanding another law to the contrary, fire safety inspections for a child care agency seeking an initial license or license renewal must be conducted exclusively by the state fire marshal or its designated agents. A local fire marshal, fire department, or municipal code enforcement office shall not conduct separate or additional fire safety inspections for purposes of child care agency licensure.

(2) **Coordination with local authorities.** The state fire marshal may consult with or delegate to local fire officials as needed, but shall issue a single, consolidated fire safety inspection report for each child care agency.

(3) **Uniform standards.** The state fire marshal, in consultation with the department, shall promulgate rules in accordance with subsection (e) establishing uniform fire safety standards applicable to all child care agencies statewide. Local jurisdictions shall not impose additional fire safety requirements for child care agency licensure that exceed or conflict with state standards unless:

(A) There is a documented, site-specific safety risk; and

(B) The additional requirement is approved by the state fire marshal.

(4) **Inspection timing.** Fire safety inspections required for licensure must be scheduled and completed within thirty (30) calendar days of request by the department or the applicant, whichever is earlier, and must be conducted with

the same priority level as fire safety inspections for affordable housing developments.

(5) **Fee limitation.** The state fire marshal's office may charge a reasonable fee for fire safety inspections not to exceed the actual cost of conducting the inspection. Any such fee must be set by rule and must be the only fire safety inspection fee required for child care agency licensure purposes.

(6) **Local building codes.** This subsection (c) does not prohibit a local government from enforcing generally applicable building codes; provided, that:

(A) The enforcement does not duplicate fire safety inspections conducted under this subsection (c);

(B) Requirements are applied uniformly to all similar commercial uses and are not specifically targeted at child care agencies; and

(C) The enforcement is conducted with the same priority level as similar enforcement for affordable housing developments.

(7) The state fire marshal shall publish on its webpage a binding, standardized checklist for child care agencies.

(d) **Child care agencies in commercial zones.**

(1) **Conditional use authorization.** Notwithstanding another law or local ordinance to the contrary, a child care agency is permitted:

(A) As a use by right, in any zone that permits:

(i) Office uses;

(ii) Commercial uses;

(iii) Industrial uses; or

(iv) Institutional uses; and

(B) In residential zoning districts for home-based child care.

(2) **Reasonable conditions.** A local government may impose reasonable conditions on a child care agency to address:

- (A) Traffic and parking impacts;
- (B) Hours of operation;
- (C) Outdoor play area safety and screening; and
- (D) Building safety and fire protection measures not inconsistent with state requirements.

(3) **Prohibition on discriminatory requirements.** A local government shall not impose conditions on a child care agency that are more restrictive than those imposed on other similar commercial or office uses in the same zone.

(4) A child care agency is not required to obtain a zoning variance if:

- (A) The agency complies with the department's licensing standards; and
- (B) The use does not materially expand the building footprint.

(5) **Employer-based child care.** A child care agency operated by or for an employer primarily for the children of its employees is permitted as an accessory use to a lawful business use, subject to the same reasonable conditions as in subdivision (d)(2).

(6) **Application processing.** Notwithstanding subdivision (b)(3)(D), an application for a conditional use permit for a child care agency must be processed on an expedited basis within sixty (60) days of receipt of a complete application and processed with the same priority level as conditional use permit applications for affordable housing developments.

(e) **Rulemaking.**

(1) The state fire marshal's office is authorized to promulgate rules necessary to implement this section in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(2) In promulgating rules, the state fire marshal shall:

(A) Minimize regulatory burden on an applicant;

(B) Ensure consistency and predictability in application review;

and

(C) Solicit input from child care agencies, local governments, and other stakeholders.

SECTION 4. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are severable.

SECTION 5. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 6. For the purpose of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect July 1, 2026, the public welfare requiring it, and applies to all applications submitted on or after that date.

Amendment No. 1 to SB2509

Crowe  
Signature of Sponsor

**AMEND Senate Bill No. 2509\***

**House Bill No. 2413**

by deleting all language after the enacting clause and substituting:

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SECTION 2. Tennessee Code Annotated, Section 71-3-501, is amended by adding the following as a new, appropriately designated subdivision:

( ) "Fire safety inspection" means an inspection conducted to determine compliance with fire prevention and life safety codes applicable to a child care agency;

SECTION 3. Tennessee Code Annotated, Title 71, Chapter 3, Part 5, is amended by adding the following as a new section:

(a) **Legislative findings.** The general assembly finds and declares that:

(1) Access to quality, affordable child care is essential to this state's economic competitiveness and workforce participation;

(2) Child care providers face significant regulatory barriers, including duplicative inspections, inconsistent requirements, and lengthy approval processes that discourage business development;

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**(b) Priority processing of permit applications by local governments.**

(1) Local governments shall establish and maintain an expedited review process for all child care agency permit applications, including conditional use permit applications submitted pursuant to subsection (d), that prioritizes the applications above other non-emergency permitting activities.

(2) Child care agency permit applications must be processed with the same priority level as affordable housing development applications and must be assigned for review within five (5) business days of receipt of a complete application.

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(D) Except as provided in subdivision (d)(6), issue a final permitting decision within ninety (90) calendar days of receipt of a complete permit application, unless the applicant agrees in writing to an extension.

(4) If the local government fails to issue a final decision within the ninety-day period and no extension has been granted, then the permit application is deemed approved, subject to successful completion of a required fire safety inspection under subsection (c).

**(c) State fire safety inspection authority.**

(1) **Exclusive inspection authority.** Notwithstanding another law to the contrary, fire safety inspections for a child care agency seeking an initial license or license renewal must be conducted exclusively by the state fire marshal or its designated agents. A local fire marshal, fire department, or municipal code enforcement office shall not conduct separate or additional fire safety inspections for purposes of child care agency licensure.

(2) **Coordination with local authorities.** The state fire marshal may consult with or delegate to local fire officials as needed, but shall issue a single, consolidated fire safety inspection report for each child care agency. An initial or subsequent inspection conducted by a local fire official must be coordinated with and conducted at the same date and time as an inspection conducted by the state fire marshal or its designated agent.

(3) **Uniform standards.**

(A) The state fire marshal, in consultation with the department, shall promulgate rules in accordance with subsection (e) establishing uniform fire safety standards applicable to all child care agencies statewide. Local jurisdictions shall not impose additional fire safety requirements for child care agency licensure that exceed or conflict with state standards unless:

(i) There is a documented, site-specific safety risk; and

(ii) The additional requirement is approved by the state fire marshal.

(B) Local jurisdictions shall ensure that local building and fire safety codes and standards are standardized with state standards and the pre-licensing standards and rules of the department, in a manner that imposes the least additional regulatory burdens practicable to child care agencies in the local jurisdiction.

(4) **Inspection timing.** Fire safety inspections required for licensure must be scheduled and completed within thirty (30) calendar days of request by the department or the applicant, whichever is earlier, and must be conducted with the same priority level as fire safety inspections for affordable housing developments.

(5) **Fee limitation.** The state fire marshal's office may charge a reasonable fee for fire safety inspections not to exceed the actual cost of conducting the inspection. Any such fee must be set by rule and must be the only fire safety inspection fee required for child care agency licensure purposes.

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