Sub. S.B. 210

127th General Assembly

(As Reported by S. Insurance, Commerce, and Labor)

Sens.   **Mason, Boccieri, Cafaro, D. Miller, Morano, Padgett, Schuler, Smith, Kearney, Stivers**

BILL SUMMARY

- Requires type A and type B family day-care homes to procure and maintain liability insurance or a signed affidavit from parents of children in the homes acknowledging the lack of liability insurance.

- Permits an owner of real property where a family day-care home is located to be listed as an additional insured party on a liability insurance policy under certain circumstances.

CONTENT AND OPERATION

Liability insurance or alternatives for family day-care homes

Under current law, type A and type B family day-care homes are not required to procure and maintain liability insurance.[1] The bill requires that all type A and type B family day-care homes procure and maintain either liability insurance or a signed affidavit from parents as described below. (Sec. 5104.041(A).) The bill requires that this proof be made available for review during inspection or investigation. (Sec. 5104.041(C).)

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[1] A "type A family day-care home" is defined as a permanent residence of the administrator in which child care or publicly funded child care is provided for seven to twelve children at one time, or a permanent residence of the administrator in which child care is provided for four to twelve children at one time if four or more children at one time are under two years of age. (Sec. 5104.01(RR).) A "type B family day-care home" is defined as a permanent residence of the provider in which child care is provided for one to six children at one time and in which no more than three children are under two years of age at one time. (Sec. 5104.01(SS).)

Liability insurance

The liability insurance must be issued by an insurer authorized to do business in the state and is to insure the home against liability arising out of, or in connection with, the operation of the home. The liability insurance must cover any cause for which the family day-care home would be liable in the amount of at least $100,000 per occurrence and $300,000 in the aggregate.

Signed affidavit

The bill allows homes to procure and maintain a signed affidavit as an alternative to liability insurance. The affidavit must be signed by the parent, guardian, or custodian of each child receiving child care from the family day-care home. The affidavit must state the following: (1) the home does not carry liability insurance, and (2) if the licensee of a type A or the provider of a type B family day care home is not the owner of the real property where the home is located, the liability insurance, if any, of the owner of the real property may not provide for coverage of any liability arising out of, or in connection with, the operation of the home.

Real property owner on which family home is located to be an insured party

The bill permits an owner of real property where a type A or type B family day-care home is located to be listed as an additional insured party on a liability insurance policy under certain circumstances. (Sec. 5104.041(B).) If the licensee of a type A or the provider of a type B family day care home is not the owner of the real property where the home is located, and the home procures liability insurance, the licensee or provider must name the owner of the real property as an additional insured party on the liability insurance, if the following apply: (1) the owner of the real property requests the licensee or provider, in writing, to add the owner to the insurance policy as an additional insured party, (2) the addition of the owner does not result in cancellation or nonrenewal of the insurance policy procured by the home, and (3) the owner of the real property pays any additional premium assessed for coverage of the owner.

Enforcement

The bill requires the Director of Job and Family Services to adopt rules to enforce its requirements (sec. 5104.041(D)).

HISTORY

ACTION	DATE
Introduced	08-30-07
Reported, S. Insurance, Commerce & Labor	04-15-08

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