

1 ENGROSSED HOUSE  
2 BILL NO. 2863

By: Shelton, BigHorse, Pittman  
and Sherrer of the House

3 and

4 Leftwich of the Senate  
5  
6

7 An Act relating to children; creating Demarion's Law;  
8 providing for mandated liability insurance for child  
9 care facilities under the Oklahoma Child Care  
10 Facilities Licensing Act; specifying coverage;  
11 providing for proof of coverage; directing the  
12 Department of Human Services to promulgate rules  
13 establishing certain form; providing exception for  
14 mandated coverage; providing for certain form;  
15 providing for suspension of license; exempting  
16 certain persons; providing for codification; and  
17 providing an effective date.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 404.2 of Title 10, unless there  
21 is created a duplication in numbering, reads as follows:

22 This act shall be known and may be cited as "Demarion's Law".

23 SECTION 2. NEW LAW A new section of law to be codified  
24 in the Oklahoma Statutes as Section 404.3 of Title 10, unless there  
is created a duplication in numbering, reads as follows:

A. A child care facility shall maintain liability insurance  
coverage of at least Two Hundred Thousand Dollars (\$200,000.00) for

1 each occurrence of negligence. An insurance policy or contract  
2 required under this section shall cover injury to a child that  
3 occurs while the child is on the premises of the child care facility  
4 or in the care of the child care facility.

5 B. The Department of Human Services shall promulgate rules  
6 providing for a standard form to be signed and dated by an insurance  
7 agent licensed in this state stating that the child care facility  
8 has an unexpired and uncanceled insurance policy or contract of at  
9 least Two Hundred Thousand Dollars (\$200,000.00) that meets the  
10 requirements of this section. This form shall be completed annually  
11 and shall be kept in the file of the facility.

12 C. Should the child care facility for financial reasons or for  
13 lack of availability of an underwriter willing to issue a policy be  
14 unable to secure the insurance required under subsection A of this  
15 section or should the policy limits be exhausted, the child care  
16 facility shall notify the parent or guardian of each child for whom  
17 the child care facility provides care a written notice that the  
18 liability coverage is not provided and there will not be a ground  
19 for suspension or revocation of the child care facility's license  
20 under the Oklahoma Child Care Facilities Licensing Act. The child  
21 care facility shall also notify the Department that coverage is not  
22 provided and provide the reason for same.

23 D. The Department shall promulgate rules providing for a  
24 standard form for the facility to provide to parents or guardians

1 notifying the parents or guardians that the facility does not carry  
2 liability insurance for the reasons allowed in subsection C of this  
3 section. This form shall be signed and dated by a parent or  
4 guardian and maintained in the file of the child. If the facility  
5 is without insurance for reasons provided for in subsection C of  
6 this section for longer than one (1) year, the facility shall update  
7 this notification form with signatures and dates annually. In no  
8 case shall the inability to secure coverage serve to indemnify the  
9 child care facility due to negligence.

10 E. The insurance policy or contract shall be maintained at all  
11 times in an amount as required by this section, except as provided  
12 for in subsections C and D of this section. Failure by a child care  
13 facility to renew the policy or contract or to maintain the policy  
14 or contract in the required amount is a ground for suspension or  
15 revocation of the child care facility license under the Oklahoma  
16 Child Care Facilities Licensing Act.

17 F. This section shall not apply to foster family homes or group  
18 homes.

19 SECTION 3. This act shall become effective November 1, 2008.  
20  
21  
22  
23  
24

1 Passed the House of Representatives the 13th day of March, 2008.

2  
3  
4 Presiding Officer of the House of  
Representatives  
5

6 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2008.

7  
8  
9 Presiding Officer of the Senate  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24