

05/16/2013 11:08:00 AM

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1259

By: Shelton of the House and Coates of the Senate

Title: Children; Demarion's Law; requiring insurance or self-insurance coverage of child care facilities; effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its Amendment No. 1.
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

SENATE CONFEREES

Coates

Coates

Crain

[Signature]

Sharp

Sharp

Aldridge

[Signature]

Johnson

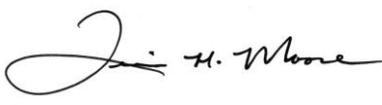
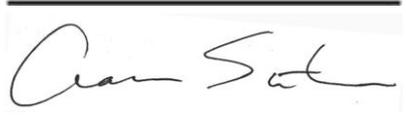
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(Constance)

Shumate

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HB1259 CCR (A)
HOUSE CONFEREES

Dank, David		Kirby, Dan	
Kouplen, Steve		Matthews, Kevin	
Moore, Lewis H.		Mulready, Glen	
Quinn, Marty		Russ, Todd	
Schwartz, Colby		Shelton, Mike	
Stiles, Aaron			

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2
3 **AUTHOR(s)/COAUTHOR(s) CURRENTLY IN THE QUEUE for HB1259**

4 **As of 5/16/2013 11:18:00 AM**

5
6 Add as coauthor Senator Johnson (Constance)

7
8 1st Session of the 54th Legislature (2013)

9 CONFERENCE COMMITTEE
10 SUBSTITUTE
11 FOR ENGROSSED
12 HOUSE BILL NO. 1259

By: Shelton of the House

12 and

13 Coates of the Senate

14
15
16 CONFERENCE COMMITTEE SUBSTITUTE

17 An Act relating to children; amending 10 O.S. 2011,
18 Sections 404.2 and 404.3, which relate to Demarion's
19 Law; updating statutory reference; requiring
20 insurance or self-insurance coverage of child care
21 facilities; removing exceptions to posting notice
22 requirements; specifying alternative compliance
23 requirements; directing Department of Human Services
24 to promulgate rules for alternative compliance;
mandating facility provide certain documentation to
Department; requiring facility post notice of
alternative compliance; and providing an effective
date.

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

2 SECTION 1. AMENDATORY 10 O.S. 2011, Section 404.2, is
3 amended to read as follows:

4 Section 404.2 ~~This act~~ Sections 404.2 and 404.3 of this title
5 shall be known and may be cited as "Demarion's Law".

6 SECTION 2. AMENDATORY 10 O.S. 2011, Section 404.3, is
7 amended to read as follows:

8 Section 404.3 A. A child care facility shall maintain
9 liability insurance coverage of at least Two Hundred Thousand
10 Dollars (\$200,000.00) for each occurrence of negligence. An
11 insurance policy or contract required under this section shall cover
12 injury to a child due to negligence that occurs while the child is
13 in the care of the child care facility.

14 B. The Department of Human Services shall promulgate rules
15 providing for a standard form to be signed and dated by an insurance
16 agent licensed in this state stating that the child care facility
17 has an unexpired and uncanceled insurance policy or contract of at
18 least Two Hundred Thousand Dollars (\$200,000.00) that meets the
19 requirements of this section. This form shall be completed annually
20 and shall be maintained by the child care facility. Upon request,
21 the form shall be made available to the Department to determine
22 compliance with licensing requirements.
23
24

1 C. ~~Should the child care facility for financial reasons or for~~
2 ~~lack of availability of an underwriter willing to issue a policy be~~
3 ~~unable to secure the insurance required under subsection A of this~~
4 ~~section, should the policy limits be exhausted, or if~~ If the child
5 care facility reports self-insurance in accordance with state law
6 the child care facility shall:

7 1. Post a notice at the facility indicating the facility ~~does~~
8 ~~not have liability insurance coverage pursuant to this section or~~
9 reports self-insurance in accordance with state law; and

10 2. Notify the Department that ~~coverage is not provided or that~~
11 the facility reports self-insurance in accordance with state law.

12 D. The Commission for Human Services shall promulgate rules
13 providing for a standard form for the facility to post which
14 indicates the facility ~~does not carry liability insurance or reports~~
15 self-insurance in accordance with state law. ~~In no case shall the~~
16 ~~inability to secure coverage serve to indemnify the child care~~
17 ~~facility due to negligence.~~

18 E. The insurance policy or contract shall be maintained at all
19 times in an amount as required by this section, except as provided
20 for in subsection C of this section.

21 F. ~~The requirements for posting shall not apply to:~~

22 1. ~~Licensed child-placing agencies;~~

23 2. ~~Licensed residential child care facilities; or~~

24 3. ~~Department-certified child care facilities.~~

1 ~~G. The Commission may promulgate rules requiring liability~~
2 ~~insurance for facilities listed in subsection F of this section.~~

3 H. If a child care facility is unable to obtain liability
4 insurance due to a lack of availability, the facility may operate
5 subject to alternative compliance requirements established by the
6 Department. The Department shall promulgate rules establishing
7 alternative compliance which shall be identical to all other
8 compliance requirements except for liability insurance coverage.
9 Prior to issuing permission to a facility to operate under
10 alternative compliance requirements, the Department shall require
11 the facility to provide at least two letters of rejection or
12 statements of unavailability of liability insurance from two
13 separate bona fide insurance companies. Any child care facility
14 operating pursuant to alternative compliance requirements shall post
15 a notice at the facility indicating the alternative compliance
16 requirements have been met in accordance with state law.

17 G. Failure by a child care facility to comply with the
18 provisions of this section is grounds for suspension or revocation
19 of the child care facility license under the Oklahoma Child Care
20 Facilities Licensing Act.

21 SECTION 3. This act shall become effective January 1, 2014.

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23 54-1-8018 EK 05/02/13

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