

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 1274

By: Floyd

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5  
6 AS INTRODUCED

7 An Act relating to child care facilities; amending 10  
8 O.S. 2011, Section 404.3, as amended by Section 5,  
9 Chapter 308, O.S.L. 2013 (10 O.S. Supp. 2015, Section  
10 404.3), which relates to mandatory liability  
11 insurance; providing statutory reference; requiring  
12 facilities to maintain certain records onsite;  
13 specifying criteria for certain forms; clarifying  
14 language; directing promulgation of rules; and  
15 providing an effective date.

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

SECTION 1. AMENDATORY 10 O.S. 2011, Section 404.3, as  
amended by Section 5, Chapter 308, O.S.L. 2013 (10 O.S. Supp. 2015,  
Section 404.3), is amended to read as follows:

Section 404.3. A. A child care facility shall maintain general  
liability insurance coverage as defined by Section 707 of Title 36  
of the Oklahoma Statutes of at least Two Hundred Thousand Dollars  
(\$200,000.00) for each occurrence of negligence. An insurance  
policy or contract required under this section shall cover injury to  
a child due to negligence that occurs while the child is in the care  
of the child care facility.

1 B. The Department of Human Services shall promulgate rules  
2 providing for a standard form to be signed and dated by an insurance  
3 agent licensed in this state stating that the child care facility  
4 has an unexpired and uncanceled insurance policy or contract of at  
5 least Two Hundred Thousand Dollars (\$200,000.00) that meets the  
6 requirements of this section. This form shall be completed annually  
7 and shall be maintained by the child care facility. Upon request,  
8 the form shall be made available to the Department to determine  
9 compliance with licensing requirements.

10 C. Should the child care facility for financial reasons or for  
11 lack of availability of an underwriter willing to issue a policy be  
12 unable to secure the insurance required under subsection A of this  
13 section, should the policy limits be exhausted, or if the child care  
14 facility reports self-insurance in accordance with state law the  
15 child care facility shall:

16 1. Post a conspicuous notice at the facility indicating the  
17 facility does not have liability insurance coverage pursuant to this  
18 section or reports self-insurance in accordance with state law; and

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

21 D. The Department shall promulgate rules providing for a  
22 standard notice form for the facility to post which indicates the  
23 facility does not carry liability insurance or reports self-

1 insurance in accordance with state law. The form required pursuant  
2 to paragraph 1 of subsection C of this section shall be:

3 1. Printed with lettering that is legible and in at least  
4 three-fourths-inch boldfaced type;

5 2. Placed at the main entrance of the facility in a conspicuous  
6 location; and

7 3. Copied and provided to the parent or legal guardian of each  
8 child under supervision of the child care facility.

9 E. In no case shall the inability to secure coverage serve to  
10 indemnify the child care facility due to negligence.

11 ~~E.~~ F. The insurance policy or contract shall be maintained at  
12 all times in an amount as required by this section, except as  
13 provided for in subsection C of this section.

14 G. Each child care facility shall maintain a compliance file  
15 onsite. The Department shall promulgate rules providing for a  
16 standard notice form for the facility to post which indicates:

17 1. The facility has compliance files onsite for inspection upon  
18 request of a parent or guardian of each child under the supervision  
19 of the child care facility; and

20 2. Such files are also made available for public inspection by  
21 the Department.

22 H. The forms required pursuant to this subsection shall be:

23 1. Printed with lettering that is legible and in at least  
24 three-fourths-inch boldfaced type;

1        2. Placed at the main entrance of the facility in a conspicuous  
2 location; and

3        3. Copied and provided to the parent or legal guardian of each  
4 child under supervision of the child care facility.

5        ~~F.~~ I. The requirements for posting provided by subsection D and  
6 G of this section shall not apply to:

- 7        1. Licensed child-placing agencies;
- 8        2. Licensed residential child care facilities; or
- 9        3. Department-certified child care facilities.

10       ~~G.~~ J. The Department may promulgate rules requiring liability  
11 insurance for facilities listed in subsection ~~F~~ I of this section.

12       ~~H.~~ K. Failure by a child care facility to comply with the  
13 provisions of this section is grounds for suspension or revocation  
14 of the child care facility license under the Oklahoma Child Care  
15 Facilities Licensing Act.

16       L. The Department shall promulgate rules to implement the  
17 provisions of this section.

18       SECTION 2. This act shall become effective November 1, 2016.

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