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HOUSE JOINT RESOLUTION NO. 697

Offered January 10, 2007

Prefiled January 10, 2007

Requesting the Bureau of Insurance of the State Corporation Commission to study the availability of liability insurance for operators of family day homes. Report.

Patron—Bell

Referred to Committee on Rules

WHEREAS, family day homes are child day programs for no more than 12 children under the age of 13, exclusive of the provider's own children and any children who reside in the home, that are offered in the residence of the provider or the home of any of the children; and

WHEREAS, Senate Bill 704 of the 2006 Session of the General Assembly, enacted as Chapter 923 of the Acts of Assembly of 2006, requires any person who operates a family day home that is approved by a licensed family day system, operates a licensed family day home, or operates a voluntarily registered family day home to furnish a written notice of insurance coverage to the parent or guardian of each child under the care of the family day home; and

WHEREAS, the notice of insurance coverage is required to state (i) the amount of liability insurance in force covering operation of the family day home or (ii) the fact that there is no liability insurance in effect; and

WHEREAS, Section 63.2-1809.1 of the Code of Virginia also requires that the notice of insurance coverage be acknowledged in writing by each parent or guardian, and that the operator notify parents and guardians if the amount of insurance coverage decreases; and

WHEREAS, insurers are allowed to exclude from the coverage provided under homeowners policies any bodily injury or property damage arising out of business pursuits of the insured; and

WHEREAS, in order to obtain insurance for liability arising from the operation of family day homes, operators may be required to purchase general liability policies; and

WHEREAS, the enactment of Senate Bill 704 in the 2006 Session has heightened interest by operators of family day homes in the availability and cost of liability insurance; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Bureau of Insurance of the State Corporation Commission be requested to study the availability of liability insurance for operators of family day homes.

In conducting its study, the Bureau of Insurance shall determine whether any lack of access to liability insurance at reasonable cost is affecting the provision of child care by family day homes, identify any barriers to access or affordability of liability insurance for family day homes, and identify any legislative or regulatory actions that may be appropriate to remove any such barriers to access or affordability.

All agencies of the Commonwealth shall provide assistance to the Bureau of Insurance for this study, upon request.

The Bureau of Insurance shall complete its meetings by November 30, 2007, and shall submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports no later than the first day of the 2008 Regular Session of the General Assembly and shall be posted on the General Assembly's website.

INTRODUCED

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