

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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Legislative Document

No. 896

H.P. 614

House of Representatives, March 5, 2009

### **An Act To Ensure Adequate Insurance Coverage for Family Child Care Providers**

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Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative GOODE of Bangor.  
Cosponsored by Senator BOWMAN of York and  
Representatives: BERRY of Bowdoinham, LEGG of Kennebunk, MORRISON of South  
Portland, PRIEST of Brunswick, ROTUNDO of Lewiston, STRANG BURGESS of  
Cumberland, VAN WIE of New Gloucester, Senator: ALFOND of Cumberland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 24-A MRSA §3060** is enacted to read:

3 **§3060. Insurance coverage for family child care providers**

4 **1. Proof of liability insurance.** An insurer authorized to transact business in this  
5 State may not cancel or refuse to issue or renew a property insurance policy covering the  
6 dwelling of a family child care provider certified under Title 22, section 8301-A,  
7 subsection 3 if the family child care provider demonstrates satisfactory evidence of  
8 separate insurance coverage for business liability.

9 **2. No liability for losses under property insurance policy.** An insurer authorized  
10 to transact business in this State is not liable under a property insurance policy issued to a  
11 family child care provider certified under Title 22, section 8301-A, subsection 3 for any  
12 loss or damage arising from the operation of the family child care provider's business  
13 unless that loss or damage is specifically covered under the property insurance policy or  
14 under a separate rider attached to the policy for business liability coverage.

15 **3. No restriction based on number of children in family child care.** An insurer  
16 authorized to transact business in this State that provides a rider to a property insurance  
17 policy to cover business liability for a family child care provider may not restrict  
18 coverage under that rider based on the number of children cared for in the dwelling  
19 except as provided in the family child care provider certification issued pursuant to Title  
20 22, section 8301-A, subsection 3 and rules adopted by the Department of Health and  
21 Human Services.

22 **SUMMARY**

23 This bill makes it clear that insurers issuing homeowner's insurance policies are not  
24 liable under those policies for losses or damages arising out of the services provided by  
25 certified family child care providers in an insured's home unless coverage is specifically  
26 provided under the policy or a rider providing business liability coverage is attached to  
27 the policy. The bill prohibits an insurer from refusing to issue, renew or cancel a policy if  
28 the insured can demonstrate satisfactory evidence of liability insurance coverage for the  
29 operations of the family child care. The bill also prohibits insurers from restricting  
30 coverage under any rider for a family child care provider based on the number of children  
31 cared for in the home except as provided in the family child care provider's certification.