

ACT 161

H.B. NO. 674

A Bill for an Act Relating to Child Care Providers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act shall be known and may be cited as the “Wiley Kaikou Muir Act”.

SECTION 2. Section 346-157, Hawaii Revised Statutes, is amended to read as follows:

~~“[§346-157] Liability insurance coverage; [no] requirement.~~ (a) For the purpose of this section, “liability insurance coverage” means a general casualty insurance policy issued to a provider insuring against legal liability for injury resulting from negligence to a child during the time the child is under the care of the child care provider.

(b) The department shall ~~[not]~~ require ~~[a provider]~~ all providers to obtain ~~[or]~~ and maintain liability insurance coverage in an amount determined by the department as a condition of licensure, temporary permission, or registration to operate a child care facility.

(c) The department, as a condition of continued licensure, temporary permission, or registration, shall require ~~[a provider who does not have liability insurance coverage]~~ all providers to disclose in writing ~~[that the provider does not have coverage]~~ to each parent or guardian:

(1) Applying to have a child cared for at the provider’s facility, ~~[if the provider has no]~~ summary information including the insurer’s name and contact information, coverage amounts, and effective dates for the provider’s liability insurance coverage at the time of application;
or

(2) Within seven working days of any change, cancellation, or termination of liability insurance coverage ~~[if, that]~~ the coverage ~~[is]~~ has been changed, canceled, or terminated while the parent’s or guardian’s child is cared for at the provider’s facility.

(d) The department may suspend or revoke a license, temporary permit, or certificate of registration of a provider in accordance with section 346-164 or 346-175, if ~~[the]~~:

(1) The provider or any employee of the provider knowingly makes a false statement to any person concerning the provider’s liability insurance coverage[-]; or

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(2) The provider does not comply with the insurance coverage and disclosure requirements of this section and rules adopted by the department pursuant to this section.

(e) Proof of liability insurance coverage as required by this section shall be verified by the department on an annual basis.”

SECTION 3. The department of human services shall submit a report to the legislature, no later than twenty days prior to the convening of the regular session of 2018, on the following issues related to the liability insurance requirements established by section 2 of this Act:

- (1) The amount of liability insurance coverage required to be obtained by child care providers;
- (2) The costs incurred by child care providers to obtain liability insurance and the projected impact these costs may have on the rates charged to consumers; and
- (3) Outreach efforts conducted by the department, to ensure compliance with the requirements of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2017; provided that enforcement of the liability insurance requirements under section 2 of this Act shall take effect on January 1, 2019.

(Approved July 11, 2017.)