New Liability Insurance and Permit Renewal Requirements for Licensed Operations (Except Licensed Child Care Homes)

On August 16, 2019, Child Care Regulation (CCR) sent an email to notify you that CCR posted a chart on the Minimum Standards webpage summarizing the bills passed during the 86th Texas Legislature (2019) that would impact your child care operation. Included in that chart was information pertaining to Senate Bill (S.B.) 568, with guidance that you would not need to comply with its provisions until CCR developed processes and rules necessary to implement the bill.

CCR has now developed the processes to support implementation of portions of S.B. 568. This document outlines the actions you will need to take to be in compliance with specific provisions of the bill relating to liability insurance and permit renewal. In particular:

- How to comply with liability insurance requirements outlined in Human Resources Code (HRC) §42.049; and
- How CCR will evaluate repeated and recited deficiencies when processing on renewal applications as required by HRC §42.050(c).

The Information below explains the specific requirements from S.B. 568 and HRC §42.049 and §42.050(c), as well as the action(s) you will need to take in order to comply.

**Liability Insurance**

**S.B. 568 and HRC Requirement:**

- Licensed facilities must provide proof of liability insurance to CCR and verify coverage annually.
- Licensed facilities must notify all parents/guardians if the provider does not provide liability insurance or discontinues coverage.

**How to Comply:**

Beginning December 6, 2020:
Enter information regarding your liability insurance into the required fields on the Liability Insurance History page in your online provider account.

If you do not carry liability insurance, enter that information into the required fields on the Liability Insurance History page in your online provider account.

Verify liability insurance coverage through your online provider account annually within 30 days of the anniversary of your initial permit issuance. You will receive a message on the message board in your provider account when your annual verification is due.

Notify all parents/guardians in writing if you do not carry liability insurance, or if you discontinue coverage.

Verify that you have notified parents as required by checking the corresponding indicator on the Liability Insurance History page in your online provider account.

Additional Resources:
- To help you learn about the changes to your online provider account, see the Viewing and Updating Liability Insurance Information tip sheet.
- CCR has created a Parental Notification of Lack of Liability Insurance form you may use.
- The parental notification verification field states that CCR may issue an administrative penalty for failure to notify parents as required. However, CCR will not be issuing penalties until a later date and will provide more information prior to that time.

Permit Renewal

S.B. 568 and HRC Requirement:
- CCR must evaluate each operation’s licensing history for repeated violations or patterns of violations during the two years previous to the permit renewal.
- CCR may place restrictions, conditions, or additional requirements on the license before renewing the permit.

How to Comply:
- Beginning December 6, 2020, CCR will do the following when processing your permit renewal application:
- Evaluate compliance history from the previous two years to determine if you have repeated violations or an established pattern of violations; and
• Depending on the results of the evaluation of any patterns in the recited and repeated deficiencies, CCR may place restrictions, conditions, or additional requirements on the license when renewing the permit.

• No action on your part is needed unless CCR notifies you that restrictions, conditions, or additional requirements were added to your license at the time your permit is renewed.

If you have any questions, please reach out to your CCR inspector or your local CCR office.