

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

HOUSE BILL 1950

5 By: Representative Torres
6 By: Senator Dees
7

For An Act To Be Entitled

8
9 AN ACT TO PROTECT LICENSED FAMILY CHILDCARE HOMES
10 FROM TERMINATION OF HOMEOWNERS INSURANCE COVERAGE; TO
11 PROHIBIT DISCRIMINATION AGAINST LICENSED FAMILY
12 CHILDCARE HOMES BY HOMEOWNERS INSURANCE PROVIDERS;
13 AND FOR OTHER PURPOSES.
14
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Subtitle

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17 TO PROTECT LICENSED FAMILY CHILDCARE
18 HOMES FROM TERMINATION OF HOMEOWNERS
19 INSURANCE COVERAGE; AND TO PROHIBIT
20 DISCRIMINATION AGAINST LICENSED FAMILY
21 CHILDCARE HOMES BY HOMEOWNERS INSURANCE
22 PROVIDERS.
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code Title 23, Chapter 88, is amended to add an
27 additional subchapter to read as follows:

28 Subchapter 6 – Prohibition of Discrimination Against Licensed Family
29 Childcare Homes
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31 23-88-601. Purpose.

32 The purpose of this subchapter is to ensure that licensed family
33 childcare homes in Arkansas are protected from the termination or nonrenewal
34 of homeowners insurance based solely on their operation as licensed family
35 childcare homes.
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1 23-88-602. Definitions.

2 As used in this subchapter:

3 (1) "Homeowners insurance policy" means a type of property
4 insurance policy that provides financial protection against certain risks
5 associated with homeownership;

6 (2) "Licensed family childcare home" means a residence licensed
7 by the Department of Education to provide childcare services to a specified
8 number of children;

9 (3) "Personal liability insurance policy" means an insurance
10 policy that provides coverage for claims made against the insured for bodily
11 injury or property damage caused by the insured's negligence; and

12 (4) "Separate personal liability insurance policy" means an
13 insurance policy that provides a minimum coverage of one hundred thousand
14 dollars (\$100,000) per occurrence specifically for liabilities arising from
15 operation of a licensed family childcare home.

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17 23-88-603. Protection from insurance cancellations – Discrimination
18 against licensed family childcare homes prohibited – Minimum personal
19 liability insurance required.

20 (a) A homeowners insurance provider shall not:

21 (1) Cancel or refuse to renew a homeowners insurance policy of a
22 licensed family childcare home based solely on the operation of a licensed
23 family childcare home if the licensed family childcare home meets or exceeds
24 all applicable rules of the Department of Education; or

25 (2) Charge rates that exceed the rate amount of a homeowners
26 insurance policy with the same square footage or value.

27 (b) An operator of a licensed family childcare home shall maintain a
28 separate personal liability insurance policy with a minimum coverage amount
29 of one hundred thousand dollars (\$100,000) per occurrence in addition to the
30 operator's homeowners insurance policy.

31 (c) A homeowners insurance provider shall provide:

32 (1) Written notice to a licensed family childcare home of any
33 reason for potential cancellation of the homeowners insurance policy or
34 nonrenewal of the homeowners insurance policy; and

35 (2) An opportunity for an operator of a licensed family
36 childcare home to remedy the situation that resulted in the potential

1 cancellation of the homeowners insurance policy or nonrenewal of the
2 homeowners insurance policy that does not include ceasing operations of the
3 licensed family childcare home.

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5 23-88-604. Responsibilities of operators of licensed family childcare
6 homes.

7 (a) An operator of a licensed family childcare home shall submit proof
8 of the operator's separate personal liability insurance policy to the
9 operator's homeowners insurance provider annually or upon renewal of the
10 operator's homeowners insurance policy.

11 (b) An operator of a licensed family childcare home shall comply with
12 all local and state rules and federal regulations regarding the operation of
13 a licensed family childcare home to remain eligible for the protections
14 described in this subchapter.

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16 23-88-605. Enforcement.

17 (a)(1) The Department of Education shall enforce this subchapter.

18 (2) The Department of Education shall promulgate rules to
19 implement and administer this subchapter.

20 (b)(1) An operator of a licensed childcare facility may file a
21 complaint with the Department of Education if the operator believes the
22 operator's homeowners insurance provider has violated this subchapter.

23 (2) If an operator of a licensed childcare facility files a
24 complaint with the Department of Education under subdivision (b)(1) of this
25 section shall make a referral to the State Insurance Department.

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27 23-88-606. Severability.

28 If any provision of this subchapter is found to be unconstitutional or
29 otherwise invalid, the remaining provisions shall continue in effect.

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