



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1803

Introduced 2/5/2025, by Sen. Ram Villivalam

SYNOPSIS AS INTRODUCED:

New Act

Creates the Liability Insurance for Child Care Providers Act. Directs the Department of Children and Family Services, in consultation with stakeholders, including licensed child care providers, business owners, insurance providers, and others, to conduct a study to investigate (1) the existing regulations under the Child Care Licensing Act; (2) the availability and affordability of liability insurance for licensed child care providers; (3) the impact of regulatory actions and citations issued by licensing representatives on the ability of child care providers to obtain or maintain adequate liability insurance coverage; and (4) best practices in other states for balancing regulation and insurance requirements to promote safe and sustainable child care programs. Requires the Department to conduct a systematic review of its administrative rules and procedures as necessary to reform the child care licensing regulatory system to prioritize collaboration and educational support over punitive measures. Directs the Department to investigate specified actions that could be taken to improve the affordability of insurance for child care providers. Effective immediately.

LRB104 11865 JDS 21955 b

1 AN ACT concerning child care.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Liability Insurance for Child Care Providers Act.

6 Section 5. Findings and purpose.

7 (a) The General Assembly finds that there is an ongoing
8 concern regarding the availability and affordability of
9 liability insurance for licensed child care providers within
10 the State of Illinois.

11 (b) The purpose of this Act is to establish a framework for
12 examining the Child Care Licensing Act and to assess the
13 availability and affordability of liability insurance for
14 licensed child care providers, with particular focus on
15 identifying and addressing the regulatory barriers affecting
16 child care operations, safety standards, and insurance
17 coverage.

18 Section 10. Interim study on child care licensing and
19 liability insurance.

20 (a) The Department of Children and Family Services, in
21 consultation with stakeholders, including licensed child care
22 providers, business owners, insurance providers, and others,

1 shall conduct a study to investigate:

2 (1) the existing rules adopted by the Department of
3 Children and Family Services under the Child Care
4 Licensing Act;

5 (2) the availability and affordability of liability
6 insurance for licensed child care providers;

7 (3) the impact of regulatory actions and citations
8 issued by licensing representatives on child care
9 providers' ability to obtain or maintain adequate
10 liability insurance coverage; and

11 (4) best practices in other states for balancing
12 regulation and insurance requirements to promote safe and
13 sustainable child care programs.

14 (b) The study shall include recommendations for improving
15 coordination between insurance and licensing agencies, and how
16 such cooperation can enhance clarity, consistency, and safety
17 in the child care sector.

18 Section 15. Reform of child care licensing regulatory
19 system.

20 (a) Following completion of the interim study required
21 under Section 10, the Department of Children and Family
22 Services shall conduct a systematic review of its
23 administrative rules and procedures as necessary to reform the
24 child care licensing regulatory system to prioritize
25 collaboration and educational support over punitive measures.

1 This reform shall focus on:

2 (1) shifting the approach of Department of Children
3 and Family Services licensing representatives from a
4 punitive system to a cooperative one that is characterized
5 by collaboration and the enhancement of safety and
6 operational practices rather than solely punitive
7 measures;

8 (2) training licensing representatives of the
9 Department of Children and Family Services to recognize
10 the impact of citations on child care programs,
11 particularly on the ability to maintain insurance
12 coverage; and

13 (3) implementing a licensing monitoring point system
14 that is weighted based on the severity of violations and
15 the potential harm or risk to children or program staff.

16 (b) To ensure that child care providers are not unfairly
17 penalized, the reforms implemented by the Department of
18 Children and Family Services under this Section shall ensure
19 that:

20 (1) no licensing violation are posted within 100 days
21 of a program monitoring visit, unless the violation is
22 uncorrected after that time period; and

23 (2) child care providers are permitted up to 90 days
24 from the date of a program monitoring visit to submit
25 evidence showing that a violation cited during the visit
26 was not, in fact, a violation at the time of the visit.

1 Section 20. Support for insurance affordability. To
2 further address the rising costs of liability insurance for
3 child care providers, the Department of Children and Family
4 Services shall assess and report to the General Assembly
5 within one year after the effective date of this Act on the
6 feasibility of the following measures:

7 (1) the development of insurance subsidies or
8 discounts to reduce the cost of liability insurance for
9 licensed child care providers; and

10 (2) the creation of reinsurance pools, allowing
11 private providers to join the State Insurance Pool, caps
12 on premiums, policy adjustments, or other mechanisms
13 designed to control and stabilize insurance costs for
14 child care programs.

15 Section 25. Implementation and oversight.

16 (a) The Department of Children and Family Services is
17 responsible for implementation and oversight of the provisions
18 of this Act.

19 (b) The Department of Children and Family Services shall
20 review progress on the implementation of this Act annually and
21 provide regular reports on the outcomes of the study, reforms,
22 and any actions taken to address the issues identified.

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.