

Know the Law: Family Child Care Homes and Insurance

Disclaimer! The following information talks about family child care liability and homeowner's insurance. The Child Care Law Center does not endorse any insurance company or policy.

Warning! Family child care liability insurance policies may be called "family child care" or just "child care" insurance. This depends on the insurance company.

For more information, contact the [California Department of Insurance](https://www.insurance.ca.gov/01-consumers/), 1-800-927-4357, <https://www.insurance.ca.gov/01-consumers/>.

1. Are family child care providers required to get family child care liability insurance?

No. You are not required to get family child care liability insurance to run a family child care home under California law.¹

But the Child Care Law Center *strongly* recommends you get family child care liability insurance.

Under the law, family child care providers *must*:

- Buy family child care liability insurance that covers injuries to "clients and guests" amounting to \$100,000 per incident and \$300,000 in total;
- Buy a bond amounting to \$300,000 in total; **or**
- Keep on file an [Affidavit Regarding Liability Insurance for Family Child Care Homes](#) (Affidavit LIC 282 Form) signed by each parent and guardian with a child in their care.²

2. What are the benefits of getting family child care liability insurance?

Family child care liability insurance can help you from paying out of pocket if you are sued for an incident related to your family child care home. It may also help cover other accidents or incidents related to your family child care home.

Most insurance companies also have lawyers. If you are sued for an incident related to your family child care home, this type of insurance might help pay for a lawyer to represent you.

For more information on insurance policies and their benefits, contact the California Department of Insurance at 1-800-927-4357 and <https://www.insurance.ca.gov/01-consumers/>.

3. What if I *do not* get family child care liability insurance or a bond?

If you *do not* get family child care liability insurance, you *must*:

- Inform all parents and guardians in your program that you do not have liability insurance,
- Have each parent and guardian sign the [Affidavit Regarding Liability Insurance for Family Child Care Homes](#) (Affidavit LIC 282 Form), **and**
- Keep the signed Affidavit LIC 282 Forms on file for Licensing to inspect during annual inspections.³

Find Affidavit LIC 282 Form in:

- English [here](#), **and**
- Spanish [here](#).

Warning! Family child care providers *cannot* show completed Affidavit LIC 282 Forms to their landlord, Homeowners Association (HOA), or others.⁴

4. Do signed Affidavit LIC 282 Forms protect me from being sued?

No. Signed Affidavit LIC 282 Forms *do not* protect you from being sued. By signing the Form, parents and guardians know you do not have family child care liability insurance.⁵

If you are a renter, Section B of the Form tells families that the liability insurance of your landlord, Homeowners Association (HOA), or other housing provider *does not* cover child-care related incidents.⁶

Families might refuse to sign the affidavits and choose a child care program with family child care liability insurance instead.

5. If I am a renter, do I need to get family child care liability insurance?

No. If you are a renter and a family child care provider, you are not required to get family child care liability insurance.⁷

But the Child Care Law Center *strongly* recommends you get family child care liability insurance.

Still, as a renter, you *must*:

- Buy family child care liability insurance that covers injuries to “clients and guests” amounting to \$100,000 per incident and \$300,000 in total;
- Buy a bond amounting to \$300,000 total; **or**
- Keep on file all [Affidavits Regarding Liability Insurance for Family Child Care Homes](#) (Affidavit LIC 282 Forms) signed by each parent and guardian with a child in your care.⁸

If you *do not* get family child care liability insurance, you must:

- Tell all parents and guardians in your program that you do not have liability insurance,

- Have each parent and guardian sign the [Affidavit Regarding Liability Insurance for Family Child Care Homes](#) (Affidavit LIC 282 Form), **and**
- Keep the signed Affidavit LIC 282 Forms on file for Licensing to inspect during annual inspections.⁹

If you are a renter, Section B of the Form tells families that the liability insurance of your landlord, Homeowners Association (HOA), or other housing provider *does not* cover child care-related incidents.¹⁰

Find Affidavit LIC 282 Form in:

- English [here](#), **and**
- Spanish [here](#).

Warning! Family child care providers *cannot* show completed Affidavit LIC 282 Forms to their landlord, HOA, or others.¹¹

6. Can property owners, landlords, Homeowners Associations (HOAs), or other housing providers require that renters get family child care liability insurance?

No. Under California law, property owners, landlords, HOAs, and other housing providers *cannot* require that renters get family child care liability insurance.¹²

Some reasons for this law include:

- Family child care homes often struggle to get liability insurance;
- Some insurance companies impose illegal restrictions on family child care homes;
- Property owners, landlords, HOAs, and other housing providers *cannot* restrict or regulate family child care homes;¹³ **and**
- Family child care homes are considered a residential use of property, not a business use of property.¹⁴

Warning! Some landlords, HOAs, and other housing providers require that all renters get renters insurance. If you rent from someone who has this rule, you must also get renters insurance. This is because the rule applies to all renters, not just renters with family child care homes.

7. If I am a renter, do I have to add my landlord, HOA, or other housing provider to my family child care liability insurance or bond policy?

Yes, but *only if* all these conditions are met:

- You already have or are getting family child care liability insurance or a bond;
- Your housing provider asks to be added to your insurance policy or bond *in writing*;
- Your insurance policy or bond will not be canceled or not renewed if your housing provider is added to the policy or bond; **and**
- Your housing provider agrees to pay any extra cost to be added to the policy or bond.¹⁵

8. Can an insurance company cancel or refuse to renew a homeowner's insurance policy because the policyholder is or rents to a family child care provider?

No. An insurance company *cannot* cancel or refuse to renew a homeowner's insurance policy because the policyholder:

- Runs a family child care home on the property, **or**
- Rents to someone who runs a family child care home on the property.¹⁶

An insurance company can *only* cancel a homeowner's insurance policy for certain reasons, like:

- The policyholder did not pay their premium;
- The policyholder committed fraud, or lied about an important fact;
- Physical changes made to the property increased hazards on the property; **or**
- The company no longer has homeowner's insurance policies.¹⁷

When an insurance company *cancels* a homeowner's insurance policy, it must:

1. Mail a notice to the policyholder's last known address,
2. Saying that the policy will be canceled and why it was canceled,

3. At least 20 days before the policy is canceled.¹⁸

Warning! Some insurance companies must notify policyholders *more than* 20 days before they cancel a policy. Check your insurance policy for more information.

When an insurance company *does not renew* a homeowner's insurance policy it must:

1. Mail a notice to the policyholder's last known address,
2. With the specific reason(s) for not renewing,
3. At least 75 days before the policy expires.¹⁹

9. What if someone violates my rights involving insurance?

If someone violates your rights involving insurance:

- Show them this factsheet.
- Contact the Child Care Law Center at (415)558-8005 ext. 101, and www.childcarelaw.org/help.
- Find a lawyer at www.lawhelpca.org, or contact [your county's bar association](#) or the [California State Bar Association](#) for a referral.
- [File a complaint](#) with the California Department of Insurance at <https://calcivilrights.ca.gov/ComplaintProcess/>.
- [File a complaint](#) with the Civil Rights Department at <https://calcivilrights.ca.gov/ComplaintProcess/>. We suggest you contact the Child Care Law Center so we can explain the complaint process.
- Learn about your insurance rights in the Department of Insurance's Residential Insurance: Homeowners and Renters handbook here in:
 - [English](#),
 - [Spanish](#), **and**
 - [Hmong](#).

10. What is a "family child care provider?"

A "family child care provider" provides licensed child care from their home, rented or owned.

They run child care programs called “family child care homes.”²⁰

In California, only the California Department of Social Services Community Care Licensing Division and local fire departments can make and enforce rules for family child care homes.²¹

Cities, counties, and housing providers, like landlords, *cannot* regulate or restrict family child care homes.²²

For more information, visit Community Care Licensing,
<https://www.cdss.ca.gov/inforesources/child-care-licensing>.

11. Where can I find more information on family child care liability and homeowner’s insurance?

Contact:

- The California Department of Insurance at 1-800-927-4357 or visit <https://www.insurance.ca.gov/>.
- Your local Resource and Referral agency at www.rnetwork.org.



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Legal Information – Not Legal Advice. This publication is meant to give you legal information; it is not legal advice. The Child Care Law Center is not your lawyer. The law changes often. For advice about your particular situation, contact a lawyer.

Endnotes: The citations below are linked to the California laws and your rights on this topic. Read them and/or contact your local law library. They can help you understand the laws.

Endnotes:

¹ [Cal. Health & Safety Code § 1597.531\(a\).](#)

² [Cal. Health & Safety Code § 1597.531\(a\).](#)

³ [Cal. Health & Safety Code § 1597.531\(a\).](#)

⁴ See Cal. Code of Regs., tit. 22 § 101221(c) (Families' and children's names are considered confidential information. Section 101221 requires that family child care providers keep all information and records regarding children confidential.).

⁵ Cal. Dep't of Soc. Serv., Cmty. Care Licensing Div., LIC 282, [Affidavit Regarding Liability Insurance For Family Child Care Home](#) (2008).

⁶ [Cal. Health & Safety Code § 1597.531\(a\).](#)

⁷ See [Cal. Health & Safety Code § 1597.531\(a\)](#); see also, [Cal. Health & Safety § 1597.41\(a\)-\(c\)](#).

⁸ [Cal. Health & Safety Code § 1597.531\(a\).](#)

⁹ [Cal. Health & Safety Code § 1597.531\(a\).](#)

¹⁰ [Cal. Health & Safety Code § 1597.531\(a\).](#)

¹¹ See Cal. Code of Regs., tit. 22 § 101221(c) (Families' and children's names are considered confidential information. Section 101221 requires that family child care providers keep all information and records regarding children confidential.).

¹² See [Cal. Health & Safety Code § 1597.531\(a\)](#); see also, [Cal. Health & Safety § 1597.41\(a\)-\(c\)](#).

¹³ [Cal. Health & Safety Code § 1597.41\(a\)-\(c\)](#).

¹⁴ Cal. Health & Safety Code §§ [1597.42](#), [1597.43\(a\)](#), [1597.45\(a\)](#).

¹⁵ [Cal. Health & Safety Code § 1597.531\(b\)](#) (These same liability insurance rules apply when a family child care home is operating on premises which share common space that is governed by a Homeowners Association.).

¹⁶ [Cal. Ins. Code § 676.1\(a\)-\(b\)](#). See also, [Cal. Ins. Code § 676](#) ("If the landlord's homeowner's insurance policy has been in effect for at least 60 days, or is a renewal policy, it may be canceled or not renewed only for: premium nonpayment, conviction of the named insured of a crime, fraud, grossly negligent acts or omissions or physical changes in the insured property which result in the property becoming uninsurable." The opening of a family child care home is not considered a "physical change in the insured property" justifying cancellation or nonrenewal.). See also, [Cal. Health & Safety Code § 1597.41\(a\)-\(c\)](#).

¹⁷ [Cal. Ins. Code § 676.1\(a\)](#). See also, [Cal. Ins. Code § 676](#).

¹⁸ [Cal. Ins. Code § 662](#). See also, Ricardo Lara, Insurance Commissioner, California Department of Insurance, *Residential Insurance: Homeowners and Renters* (2021), <https://www.insurance.ca.gov/flipbook/residential2020/22/>.

¹⁹ [Cal. Ins. Code § 678\(a\)\(B\), \(c\)](#). See also, Ricardo Lara, Insurance Commissioner, California Department of Insurance, *Residential Insurance: Homeowners and Renters* (2021), <https://www.insurance.ca.gov/flipbook/residential2020/22/>.

²⁰ Cal. Health & Safety Code §§ [1596.78](#), [1597.44](#), [1597.465](#). See also, California Department of Social Services, Community Care Licensing Division, <https://www.cdss.ca.gov/inforesources/child-care-licensing/resources-for-parents> (last visited April 25, 2024).

²¹ See [Cal. Health & Safety Code § 1597.40](#) ("Local laws, regulations, or rules shall not directly or indirectly prohibit or restrict the use of a facility as a family daycare home..."). See also, [Cal. Health & Safety Code § 1597.41\(a\)-\(c\)](#).

²² [Cal. Health & Safety § 1597.41\(a\)-\(c\), \(e\)](#). See also, [Cal. Health & Safety Code § 1597.45\(a\)-\(c\)](#).