

JAN 25 1999
HUMAN RESOURCES

HOUSE FILE 127
BY JENKINS, HOUSER, CARROLL,
and WITT

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to reimbursement, payment, and coverage by the
2 state for damages involving individuals providing foster home,
3 guardian, or conservator services and providing an effective
4 date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 127

1 Section 1. Section 237.13, subsection 3, Code 1999, is
2 amended to read as follows:

3 3. Except as provided in this section, the fund shall pay,
4 on behalf of each licensed foster home, any valid and approved
5 claim of foster children, their parents, guardians, or
6 guardians ad litem, for damages arising from the foster care
7 relationship and the provision of foster care services. The
8 fund shall also ~~reimburse~~ compensate licensed foster homes for
9 property damage, at replacement cost, or for bodily injury, as
10 a result of the activities of the foster child, and reasonable
11 and necessary legal fees incurred in defense of civil claims
12 filed pursuant to subsection 7, paragraph "d", and any
13 judgments awarded as a result of such claims.

14 Sec. 2. Section 237.13, subsection 4, paragraph g, Code
15 1999, is amended by striking the paragraph.

16 Sec. 3. Section 237.13, subsection 4, paragraph h, Code
17 1999, is amended by striking the paragraph.

18 Sec. 4. Section 237.13, subsection 6, Code 1999, is
19 amended to read as follows:

20 6. The fund is not liable for the first ~~seventy-five~~ one
21 hundred dollars ~~of any claim based on a single occurrence~~ for
22 all claims arising out of one or more occurrences during a
23 fiscal year related to a single foster home. The fund is not
24 liable for damages in excess of three hundred thousand dollars
25 ~~for a single foster home~~ for all claims arising out of one or
26 more occurrences during a ~~calendar~~ fiscal year related to a
27 single home.

28 Sec. 5. Section 237.13, Code 1999, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 10. Pursuant to section 507B.4,
31 subsection 7, a person who has been reimbursed, for which a
32 claim has been paid, or is covered under the provisions of
33 this section shall not be subject to discrimination in the
34 provision of homeowner's insurance coverage by reason of such
35 reimbursement, payment, or coverage.

1 | Sec. 6. Section 507B.4, subsection 7, Code 1999, is
2 amended by adding the following new paragraph:

3 | NEW PARAGRAPH. d. Making or permitting any discrimination
4 in the sale of homeowner's insurance solely on the basis of
5 the payment, reimbursement, or coverage under section 237.13.

6 | Sec. 7. TRANSITION TO FISCAL YEAR. The limit on foster
7 home liability established in section 237.13, subsection 6, in
8 effect for the calendar year beginning January 1, 1999, shall
9 apply through June 30, 1999. The amendment in this Act to
10 section 237.13, subsection 6, affecting the per claim
11 liability of the foster home insurance fund, shall first apply
12 to the period beginning on the effective date of this Act and
13 ending June 30, 1999.

14 | Sec. 8. This Act, being deemed of immediate importance,
15 takes effect upon enactment.

16 | EXPLANATION

17 | This bill relates to reimbursement or payment of claims by
18 the state for damages involving individuals providing foster
19 home, guardian, or conservator services.

20 | Code section 237.13, establishing the foster home insurance
21 fund administered by the department of human services, is
22 amended in a number of ways. The bill provides that
23 reimbursement of valid claims for property damage shall be at
24 replacement cost.

25 | Code section 237.13, subsection 4, paragraph "g", is
26 repealed. This provision provides that the fund is not liable
27 for any claim for which compensation has been provided by, or
28 is available from, any other source including the child's own
29 funds.

30 | Code section 237.13, subsection 4, paragraph "h", is
31 repealed. This paragraph provides that the fund is not liable
32 for the liability of a foster parent due solely to the foster
33 parent's failure to obtain automobile or homeowner's
34 insurance.

35 | Code section 237.13, subsection 6, is amended to exempt the

1 fund from liability for the first \$100 for all claims
2 involving occurrences in a single foster home during the
3 course of a fiscal year. Current law exempts the fund for the
4 first \$75 for each occurrence. The annual limitation on all
5 claims is changed to apply to the fiscal year rather than the
6 calendar year.

7 Code section 237.13 is also amended to prohibit
8 discrimination in the provision of homeowner's insurance
9 coverage because a person has been reimbursed or a claim has
10 been paid under this section on behalf of the person.

11 Code section 507B.4, relating to unfair discrimination or
12 trade practices in the provision of insurance, is amended to
13 prohibit discrimination in the provision of homeowner's
14 insurance coverage because a person has been reimbursed or a
15 claim has been paid under the foster home insurance fund law
16 on behalf of the person.

17 The bill includes a transition period for the bill's
18 amendments to Code section 237.13, subsection 6, relating to
19 the foster home's per claim liability and overall liability.
20 The change to the per claim liability for the fiscal year
21 initially applies to the period beginning on the effective
22 date of the bill and ending June 30, 1999. The change to the
23 overall liability for the fiscal year in place of the calendar
24 year begins July 1, 1999.

25 The bill takes effect upon enactment.

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