

Date of Hearing: May 14, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 617 (McKinnor) – As Amended March 20, 2025

Policy Committee: Human Services

Vote: 5 - 1

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

**SUMMARY:**

This bill requires an organization vendored or contracted through a regional center or the Department of Developmental Services (DDS) to provide personal care or services for persons with developmental disabilities be a licensed home care organization, and requires individuals employed by these organizations to register with the state's home care aide registry.

Specifically, this bill:

- 1) Amends the Lanterman Developmental Disabilities Services Act to require an organization vendored or contracted through a regional center or DDS to provide personal care or personal assistance services or in-home respite services to a regional center consumer receiving services under the Lanterman Act be licensed as a home care organization by the California Department of Social Services (CDSS) under the Home Care Services Consumer Protection Act prior to providing these services.
- 2) Requires an individual who is employed by an organization described in item 1, above, be listed on the home care aide registry under the Home Care Services Consumer Protection Act prior to providing personal care or personal assistance services or in-home respite services to a consumer receiving services under the Lanterman Act.
- 3) Requires an organization vendored or contracted through a regional center or DDS to provide personal care or personal assistance services or in-home respite services before January 1, 2026. An individual who is employed by such an organization before January 1, 2026, must meet these requirements by January 1, 2028.

**FISCAL EFFECT:**

- 1) DDS estimates one-time costs of \$846,000 (\$591,000 General Fund) in fiscal year (FY) 2025-26, for one temporary part-time position at each of 21 regional centers to implement processes, identify and track providers, support compliance with licensing and registration standards, and confirm licensure before services are delivered. DDS assumes the cost per regional center is \$40,000 (\$28,000 General Fund). DDS notes there are about 1,500 personal care, personal assistance, and in-home respite services provider vendorizations system wide.
- 2) CDSS estimates General Fund costs of \$8.0 million in FY 2025-26, and ongoing costs of \$7.9 million annually for 42 positions to handle additional registry caseload, develop licensing policy and procedures, provide training, handle additional complaints and legal

cases, and perform numerous administrative functions, among other tasks. CDSS indicates this estimate is based on DDS reporting approximately 675 vendors and a current average of 166 cases per Home Care Organization Analyst.

## COMMENTS:

- 1) **Purpose.** This bill is sponsored by SEIU California. According to the author:

[This bill] adds respite providers to the home care aid registry and will serve as a directory to help connect consumers and their families to qualified respite providers. By also removing an exemption, we can encourage non-medical providers that are already licensed as a home care organization to become respite providers, thus increasing access to a much needed service.

- 2) **Background.** Home care services are nonmedical services and assistance provided by a registered home care aide to a client in their own home, and include assistance with daily living activities, housekeeping tasks and support with mobility and companionship. Home care services support individuals who may have chronic illnesses, disabilities, or are recovering from surgeries or medical procedures, allowing them to remain in their home rather than in a hospital or nursing facility.

AB 1217 (Lowenthal), Chapter 790, Statutes of 2013, enacted the Home Care Services Consumer Protection Act (Act) which requires home care organizations to be licensed and creates a public online registry for home care aides. Home care aides directly employed by home care organizations must register, and other independent home care aides may register voluntarily. CDSS is responsible for the licensure and registry compliance. Organizations must pay a registration fee of \$5,603 per agency location and \$35 per employee every two years.

The Act exempts from its registry and licensing requirements organizations vendored or contracted through a regional center or DDS, pursuant to the Lanterman Act, to provide services and supports for persons with developmental disabilities when funding for those services is provided through DDS and more than 50% of the recipients of the home care services provided by the organization are persons with developmental disabilities.

Under the Lanterman Act, service providers must be “vendored” (approved) by a regional center before they can provide and be reimbursed for services. The vendorization process allows regional centers to verify, prior to the provision of services to consumers, that an applicant meets all of the requirements and standards specified in regulations. Applicants who meet the requirements and standards are assigned a service code and a unique vendor identification number.

This bill removes the exemption for DDS vendored or contracted organizations providing personal care or services to persons with developmental disabilities, and their employees. The bill, instead, explicitly requires these organizations to be licensed as a home care organization under the Act and requires an individual employed by such as organization to be listed on the home care aide registry.

The bill does not change the requirement that these organizations be vendorized to provide services to regional centers.

3) **Arguments in Support.** This bill is sponsored by SEIU California, which asserts:

This bill would help those family care providers who have struggled to locate and connect with attested providers who can offer respite, particularly for families who need support provided in languages other than English. On the provider side, as providers struggle to navigate a job landscape that offers inadequate wages for difficult and demanding work, they can use the registry to make sure consumers can reach out for services without having to navigate overlapping vendorization and home care licensing requirements to provide in-home care.

4) **Arguments in Opposition.** This bill is opposed by numerous disability advocate groups who argue this bill creates a duplicative process for DDS vendored organizations and their employees by requiring additional fees, training, and redundant background checks to provide care and services they are already qualified to provide under the regional center vendorization process. California Disability Services Association asserts:

Respite providers operating under the Regional Center system already fall under the regulatory authority of DDS and are required to meet service and administrative standards designed specifically for the developmental disabilities service system. These standards are grounded in the Lanterman Act and tailored to ensure that individuals with IDD receive services in a manner consistent with their rights and needs. Requiring these same providers to also register as home care organizations under DSS would create redundant oversight structures, increase costs, and add administrative complexity.

5) **Prior Legislation.** AB 2455 (Kalra), Chapter 917, Statutes of 2018), required CDSS to provide a labor organization, upon request, an electronic copy of a registered home care aide's name, telephone number, and cellphone number for the sole purpose of employee organizing, representation and assistance, unless the employee opted out of the disclosure.

**Analysis Prepared by:** Jennifer Swenson / APPR. / (916) 319-2081