

SENATE BILL REPORT

SB 6544

As Reported By Senate Committee On:
Ways & Means, March 6, 2002

Title: An act relating to licensing fees for adult family homes.

Brief Description: Authorizing the department of social and health services to establish licensing fees for adult family homes.

Sponsors: Senator Brown; by request of Department of Social and Health Services.

Brief History:

Committee Activity: Ways & Means: 3/1/02, 3/6/02 [DPS, DNP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6544 be substituted therefor, and the substitute bill do pass.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Fraser, Kline, Kohl-Welles, Poulsen, Rasmussen, B. Sheldon, Snyder, Spanel, Thibaudeau and Winsley.

Minority Report: Do not pass.

Signed by Senators Hewitt, Honeyford, Long, Rossi, Sheahan and Zarelli.

Staff: Tim Yowell (786-7435)

Background: Adult family homes provide residential care for adults who need supervision and assistance because of advanced age or disabilities. Each home may care for up to six residents. There are presently about 2,000 licensed homes in the state, with about 11,200 beds. Adult family homes are licensed and inspected by the Department of Social and Health Services (DSHS).

DSHS will spend about \$6.8 million on adult family home licensure and inspection this year. Federal funds will cover about half that cost. Licensing fees, which have been set in statute at \$50 per home since 1989, will cover about \$100,000 of the cost. The remaining \$3.15 million will be covered by general state revenues. The Governor has proposed that adult family home license fees be increased to \$1,458 per home, to cover the full non-federal cost of licensing and inspecting them.

Summary of Substitute Bill: DSHS must set adult family home licensing fees in rule, consistent with the biennial appropriations act.

Substitute Bill Compared to Original Bill: The original bill was not considered.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: It is standard practice for fees to cover the cost of licensed services and professions. Removing the \$50 fixed amount from statute would enable the department to start moving toward that standard.

Testimony Against: Adult family homes should not be required to cover the full cost of licensing and inspection, because they are already struggling to cover their costs, and are saving the state millions of dollars by keeping people out of nursing homes. The industry would prefer doubling the fee to \$100, but keeping it in statute. Half of the homes report they would need to go out of business if fees were increased to the level proposed by the Governor.

Testified: Bill Day, Adult Family Home Assn.; Terry Kohl, WA State Residential Care Council; Kathy Leitch, DSHS Aging and Adult Services (pro).