SENATE BILL REPORT EHB 1677

As of March 21, 2013

Title: An act relating to operators of multiple adult family homes.

Brief Description: Concerning operators of multiple adult family homes.

Sponsors: Representatives Klippert, Morrell, Hope, Cody, Nealey, Walsh, Fagan and Ryu.

Brief History: Passed House: 3/06/13, 97-0. **Committee Activity**: Health Care: 3/18/13.

SENATE COMMITTEE ON HEALTH CARE

Staff: Kathleen Buchli (786-7488)

Background: Adult family homes are residential homes licensed to care for up to six individuals who need long-term care. These homes provide their residents with room, board, laundry, necessary supervision, and assistance with activities of daily living, personal care, and nursing services. The Department of Social and Health Services (DSHS) licenses adult family homes. DSHS's licensing functions include processing applications for new providers, performing inspections, conducting complaint investigations, and administering enforcement actions if resolution is not met.

Adult family home operators who wish to operate a second adult family home must wait 24 months from the issuance of the first license and not have a DSHS enforcement action against that adult family home in the 24 months prior to application. For subsequent applications, an adult family home operator must wait 12 months from the issuance of the previous adult family home license and not have a DSHS enforcement action against any of their homes during the 12 months prior to application.

Summary of Bill: The requirement that an applicant for a license to operate more than two adult family homes wait at least 12 months from the issuance of the previous license does not apply if the application is due to a change in ownership of existing adult family homes that are currently licensed. The exception applies as long as there has not been a DSHS enforcement action against the applicant's currently licensed adult family homes during the 12 months prior to application.

Appropriation: None.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill will help operators to sell and others to purchase adult family homes that are currently in operation. It will help to serve the adult community. Without the ability to sell adult family homes, providers are concerned that they would need to close their homes or split up the homes with different owners which leads to resident instability. Currently you must have one year of experience to purchase another home; this prevents the sale of multiple homes to one buyer. It makes more sense for providers of two or more homes to sell them as a group and not individually. This would let a provider sell their homes as a company, as they want to sell it, and limits transfer concerns. Because of current law, it could take multiple years to purchase the entirety of a business.

Persons Testifying: PRO: Representative Klippert, prime sponsor; Jeannie Johnson, From the Heart Adult Family Home; Megan Landon; Vicki McNealley, WA State Residential Care Council; Bernadette McBride, Legacy Homes and Tranquility Manors.