

**Department of Developmental Services
Proposed Trailer Bill Legislation
Fiscal Year 2026-27**

**Regional Center Supported Living Services 40-Hour Work Week
Fact Sheet**

1. Proposal:

The Department of Developmental Services proposes to codify that employees of regional center vendors who provide supported living services are subject to the overtime compensation requirements of California's Industrial Welfare Commission Wage Order No. 15.

2. Background:

The federal government has proposed restoring certain Fair Labor Standards Act exemptions that would eliminate overtime protections for direct support professionals and caregivers, including those providing supported living services funded through regional centers. Without this trailer bill proposal, this federal change could result in workforce shortages and service instability for individuals with intellectual and developmental disabilities.

The State enacted Chapter 110, Statutes of 2025, to require hours worked by an In-Home Supportive Services provider in the performance of services or travel time that exceed 40 hours in a workweek to be compensated at one and a half times the provider's hourly wage. Many supported living services providers employ and coordinate the work of people who receive payment through both programs.

3. Justification for the Change:

Direct support professionals provide essential daily assistance that enables individuals with developmental disabilities to live safely and independently in their communities. If the proposed federal overtime exception is deemed to apply, caregiver wages would decline and turnover would increase, ultimately reducing the quality and consistency of care.

Overtime protections are necessary to maintain a stable workforce, continuity of supports, and upholding person-centered community-based living. Safeguarding labor standards for caregivers directly protects the health, safety, and independence of individuals with intellectual and developmental disabilities.

4. Summary of Arguments in Support:

Clarifying the applicable wage order requirements would provide stability for direct support professionals and caregivers potentially impacted by federal policy changes related to overtime. These protections would help retain experienced caregivers and reduce the costs associated with turnover. It also would ease payroll calculations for supported living services providers who employ people who receive payment through both programs. This proposal is consistent with the existing state budget, current law and practice, and is necessary for the same reasons as Chapter 110, Statutes of 2025.

5. BCP or Estimate Issue # and Title:

[Local Assistance Estimate, Residential Services, page E-14](#)