Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: HB27 E **Patron:** Henson

Bill Title: Overtime for certain employees; pay for domestic workers, delayed effective date.

Bill Summary: Adds domestic workers, as defined in the bill, to provisions related to overtime pay. The bill has a delayed effective date of July 1, 2027.

Budget Amendment Necessary: Yes, see "Fiscal Analysis" **Items Impacted:** 291 (DMAS) HB30

Explanation: This bill impacts the Department of Labor and Industry (DOLI) and the Department of Medical Assistance Services (DMAS); see Fiscal Analysis section, below.

Fiscal Summary: The bill, as engrossed, would require that DMAS pay time and a half to live-in consumer-directed attendants, who work over 40 hours in one week, up to the 16-hour limit, instead of straight time. DMAS estimates a general fund impact of $7.6 million and nongeneral fund impact of $8.2 million beginning in FY 2028, with higher amounts in future years. The estimated cost to DMAS assumes that current program limitations included in the introduced budget (HB/SB30) remain in place. Without such limits, the cost of this legislation would be significantly higher. It is anticipated that any impact on DOLI can be absorbed within existing resources.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DMAS (602)	-	-	$7,629,646	$8,622,278	$8,960,210	$9,311,386
TOTAL	**-**	**-**	**$7,629,646**	**$8,622,278**	**$8,960,210**	**$9,311,386**

Nongeneral Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DMAS (602)	-	-	$8,271,811	$9,347,989	$9,714,364	$10,095,098
TOTAL	**-**	**-**	**$8,271,811**	**$9,347,989**	**$9,714,364**	**$10,095,098**

Fiscal Analysis: This fiscal impact estimate is preliminary. The fiscal impact statement will be updated as additional information is received.

Department of Labor and Industry

The Department of Labor and Industry (DOLI) is currently responsible for enforcing wage laws. It is anticipated that any increase in claims or workload resulting from this bill can be absorbed within existing resources.

Department of Medical Assistance Services

The amended bill removes the exclusion of employees providing consumer-directed services under Titles XIX and XXI of the Social Security Act from the definition of domestic worker. As such, DMAS would be required to pay overtime rates to live-in consumer-directed attendants working up to 16 hours in addition to the 40-hour work week.

Currently, due to their exemption in the Fair Labor Standards Act, live-in consumer-directed attendants may work up to 16 hours a day providing personal care services for a maximum of 112 hours worked weekly. Attendants are paid at their regular rate for all hours exceeding 40 hours/week. However, Item 291 MMMMM. of the introduced budget bill, HB30, includes a 56-hour limit on personal care and assistance services provided under the Community Living and Family and Individual Support development disability (DD) waivers to mirror the 56-hour soft-cap limits in the Commonwealth Coordinated Care Plus waiver. This limit would result in live-in consumer-directed attendants no longer being eligible for reimbursement for hours worked over 56 hours/week. Additionally, Item 291 JJJ. of the introduced budget authorizes overtime at time and a half up to 16 hours after the attendant has worked 40 hours in a week.

In FY 2025, DMAS paid $31.6 million for 1.9 million hours of consumer-directed personal care for DD waiver attendants working 16 hours above a 40-hour workweek. DMAS expects that amount to grow by 2.5 percent in FY 2026, 3.2 percent in FY 2027, and 3.9 percent in FY 2028. With one month payment lag, DMAS estimates additional expenditures of $15.9 million ($7.6 million general fund) in FY 2028. If language in the introduced budget limiting personal care hours is not retained, the cost of this proposal would significantly increase.

Other: This bill is similar to SB28.