

California Paraprofessional Program Working Group  
Regulation Subcommittee  
Proposed Financial Responsibility Requirements

Requirement	Description	Issues/Options
<b>Bond</b>	Surety bond reimburses clients for failure of licensee to provide services	<ul style="list-style-type: none"> <li>• Does a surety bond cover intentional and unintentional acts?</li> <li>• Bond amount to be determined</li> </ul>
<b>Errors and Omissions (Malpractice) Insurance</b>	Errors and omissions insurance compensates clients for losses incurred due to licensee's unintentional errors and omissions	<ul style="list-style-type: none"> <li>• Attorneys are not required to be insured</li> <li>• Coverage amounts to be determined</li> </ul>
<b>Restitution Fund</b>	Restitution Fund reimburses clients for losses due to actions of licensees <ul style="list-style-type: none"> <li>• Intentional acts               <ul style="list-style-type: none"> <li>○ Theft or equivalent act</li> <li>○ Funds received and wrongfully retained</li> </ul> </li> <li>• Unintentional acts               <ul style="list-style-type: none"> <li>○ Errors and omissions</li> <li>○ To be included if malpractice insurance is not required</li> </ul> </li> <li>• Licensing board to determine eligibility for reimbursement               <ul style="list-style-type: none"> <li>○ Licensee discipline not required</li> <li>○ Malpractice judgment not required</li> </ul> </li> <li>• Reimbursement would be limited to monetary losses</li> </ul>	<ul style="list-style-type: none"> <li>• Funded by annual assessment on licensees</li> <li>• Cap on restitution amount to be determined</li> <li>• Reimbursement for payments will be sought from licensees</li> <li>• Startup funding may be required</li> <li>• Administration and funding may be cost-prohibitive if unintentional acts are included</li> </ul>