

California Paraprofessional Program Working Group
Regulation Subcommittee
Proposed Financial Responsibility Requirements

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