

Direct CARE Opportunity Act of 2026

Section 1. Short Title

This section states that this Act may be cited as the “Direct Creation, Advancement, and Retention of Employment Opportunity Act of 2026” or the “Direct CARE Opportunity Act of 2026.”

Section 2. Definitions

This section outlines definitions used in the bill, which include: ‘Apprenticeship Program’; ‘Direct Care Worker’; ‘Direct Support Professional’; ‘Eligible Entity’; ‘Employer’; ‘Indian Tribe’; ‘Tribal Organization’; ‘Individual with a Significant Disability’; ‘Institution of Higher Education’; ‘Secretary’; ‘Secretary of Labor’; ‘Secretary of Health and Human Services’; ‘State’; ‘Supportive Services’; ‘Work-Based Learning.’ Additionally, this section enumerates terms that carry the same meaning as in the *Workforce Innovation and Opportunity Act*.

Section 3. Authority to Grant Awards; Duration

Section 3(a) authorizes the Secretary of Labor and Secretary of Health and Human Services (HHS) to administer grants to eligible entities for recruiting, retaining, and advancing the careers of direct care workers.

Section 3(b) describes how the Secretary of Labor may receive assistance from the Secretary of HHS to award grants.

Section 3(c) authorizes grants for a minimum of five years.

Section 4. Applications; Consultation

Section 4(a) outlines the grant application requirements, which must include among other things: services and benefits participants will receive; the geographic area covered by the grant; demographic information of those to be served; plans for collecting and submitting data about the grant’s outcome; projections of unmet need for services; and current and projected job openings for direct care workers. The application must also include a description of the strategies which will be developed and implemented for recruitment, retention, and advancement, along with how the entity will coordinate with other stakeholders, including direct care workers themselves and family caregivers. If the grant will be used for provision of wages, compensation, or other benefits, the application must provide assurance that direct care workers and trainees will not be paid less than the minimum wage required by federal or state laws, or by a collective bargaining agreement, whichever is greater. If the grant will be used to offer an education and training program, the application must include a description of the program, including curricula, models, and program standards.

Section 4(a)(3) specifies that in selecting eligible entities, the Secretary of Labor shall ensure equitable geographic and demographic diversity, that direct care work is in demand in the area served, and that priority will be given to recipients of assistance under state programs for families in need.

Section 4(b) requires grantees to consult and coordinate with applicable state or local boards, and, to the extent practicable, others including: higher education institutions, the State Apprenticeship Agency or the Office of Apprenticeship of the Department of Labor, agency responsible for Medicaid or Medicaid waivers, labor organizations or joint labor-management organizations, nonprofit or governmental organizations with expertise regarding older individuals, disabled individuals, and caregivers, State Councils on Developmental Disabilities, nonprofit state associations that represent providers who employ direct care workers, and entities that employ direct care workers.

Section 5. Uses of Funds; Administrative Costs; Supplement, Not Supplant

Section 5(a) details that funds must be used for at least one of these activities: developing and implementing an education program; creating and implementing a career pathway; providing career planning to identify career pathways and advancement opportunities; providing wages, compensation, benefits, supportive services, mentoring, or other career support; or any other activity that the Secretary of Labor deems beneficial for direct care workers' recruitment, retention, or advancement.

Section 5(b) permits the allocation of no more than 7 percent of grant funds for costs associated with strategy implementation as well as evaluations of strategies.

Section 5(c) states that an eligible entity must use grant money to supplement, rather than replace, the amount of funds being used for direct care workers' recruitment, retention, or advancement.

Section 6. Evaluations and Reports

Section 6(a) directs grant recipients to submit planning, progress, and outcome reports to the Secretaries of Labor and HHS that include comprehensive information on the funds used, outcomes, and other performance metrics.

Section 6(b) requires the Secretary of Labor to submit a report to Congress within one year of grant completion that contains the progress and outcomes submitted by eligible entities, including successful strategies, analysis of the workforce supply, current and projected shortages, and distribution of direct care workers. This report shall also make recommendations for future legislation and administrative action.

Section 7. GAO Report

This section requires that, no later than one year after the Secretary of Labor submits the report under section 6, the Comptroller General of the United States conduct a study and submit a report to Congress which includes an assessment of the strategies and recommendations for future legislation and administrative action.

Section 8. Technical Assistance

Section 8(a) requires the Secretaries of Labor and HHS to use a portion of funds under the bill for technical assistance to support program strategies, data collection, and data disaggregation.

Section 8(b) states that the Assistant Secretary for Aging will use the amounts appropriated in section 10(b) to: provide technical assistance, distribute information which will help state systems support direct care workforce policies, fund any other activities to strengthen the direct care workforce, and support

ongoing activities for direct care workers' recruitment, retention, and advancement under the *Older Americans Act of 1965*.

Section 9. Authorization of Appropriations

Section 9(a) provides \$300,000,000 annually from 2027 through 2032 to carry out activities under the bill. Of this amount, the Secretary of Labor must reserve up to 2 percent for technical assistance purposes.

Section 9(b) provides \$6,000,000 annually from 2027 to 2032 to carry out ongoing activities for direct care workers' recruitment, retention, and advancement under the *Older Americans Act of 1965*, projects that advance opportunities for individuals with developmental disabilities under *the Developmental Disabilities Assistance and Bill of Rights Act of 2000*, and the technical assistance activities described in section 8(b).