#### SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2023-2024 Regular Session

AB 426 (Jackson) Version: June 28, 2023 Hearing Date: July 11, 2023 Fiscal: Yes Urgency: Yes AWM

### **SUBJECT**

County-operated residential foster care facilities: temporary management

### DIGEST

This bill establishes a procedure by which the California Department of Social Services (DSS) can appoint a temporary placement manager to supervise placements of foster children and youth being housed in an unlicensed foster care facility and increases the daily administrative penalties that may be assessed against the operator of such an unlicensed facility.

### **EXECUTIVE SUMMARY**

Current law requires residential foster care facilities to obtain a license from DSS to operate. Current law also requires county welfare departments to maintain certain standards for residential foster care facilities, consistent with the state's "obligation of the highest order to ensure the safety of children in foster care." (Welf. & Inst. Code, § 16000.1.) In many counties, however, foster youth – particularly those with complex needs – have been housed in unlicensed facilities, including office buildings and, in one recent case, a juvenile detention facility. DSS has the authority to fine unlicensed facilities, the other enforcement options assume that a county welfare department will be available to find placements for the foster children living in the unlicensed facility; this gives DSS few desirable options if the unlicensed facility is being operated by the county.

This bill allows DSS to appoint a temporary manager to assume control of an unlicensed residential foster care facility in order to arrange temporary placements for the residents. The bill requires DSS to provide the facility with initial notice, and then a formal statement of reasons for the appointment; the facility will then have 60 days to arrange placements for the residents. If there are still foster children or youth residing in the facility at the expiration of 60 days, the temporary manager will take over and find placements for those who remain. The bill also authorizes DSS to impose a civil penalty

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on the operator of an unlicensed facility in the amount of \$500 per child per day, increasing to \$5,000 per child per day for the children still living at the unlicensed facility when the temporary manager takes over. The author has agreed to amend the bill to ensure that there are adequate procedural protections in place and to clarify that the civil penalty may be imposed on a public entity.

This bill is sponsored by the author. This bill is opposed by the County of Kern and the County Welfare Directors Association. The Senate Human Services Committee passed this bill with a vote of 4-1.

## PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Makes the following declarations of Legislative intent regarding children and youths in the dependency system:
  - a) It is the intent of the Legislature to preserve and strengthen a child's family whenever possible, removing the child from the custody of their parents only when necessary for their welfare or for the safety and protection of the public.
  - b) If a child is removed from the physical custody of their parents, preferential consideration shall be given whenever possible to the placement of the child with a relative.
  - c) If a child is removed from their family, the child should be provided with the custody, care, and discipline equivalent to that which should have been provided by their parents.
  - d) It is the intent of the Legislature that children in an out-of-home placement should live in the least-restrictive family setting promoting normal a childhood experience that is suited to meet their individual needs, and to live as close to their family as possible.
  - e) In fulfilling their responsibilities to pupils in foster care, educators, county placing agencies, care providers, advocates, and the juvenile courts shall work together to maintain stable school placements and to ensure that each pupil is placed in the least-restrictive educational programs, and has access to the academic resources, services, and extracurricular and enrichment activities available to all pupils. (Welf. & Inst. Code, § 16000.)
- 2) Provides that the State has a duty to care for and protect the children that it places into foster care, and as a matter of policy, assumes an obligation of the highest order to ensure the safety of children in foster care. (Welf. & Inst. Code, § 16000.1.)
- 3) Establishes a list of enumerated rights, known as the Foster Youth Bill of Rights, which are held by all children placed in foster care, either voluntarily or after being adjudged a ward or dependent of the juvenile court, and by nonminor dependents

except where the rights conflict with nonminor dependents' retention of their legal decisionmaking authority as an adult. (Welf. & Inst. Code, § 16001.9.)

- 4) Establishes DSS, which is granted the full power to supervise every phase of the administration of public social services, except health care services and medical assistance, for which grants-in-aid are received from the federal government or made by the State, as specified. (Welf. & Inst. Code, §§ 10054, 10600.)
- 5) Provides that counties are responsible for and accountable to DSS for specified child welfare program performance measures. (Welf. & Inst. Code, § 10601.2.)
- 6) Establishes the Office of the State Foster Care Ombudsperson as an autonomous entity within DSS for the purpose of having children who are placed in foster care with a means to resolve issues related to their care, placement, or services. (Welf. & Inst. Code, § 16161.)
- 7) Defines a "community care facility" as any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult daycare, or foster family agency services for children, adults, or children and adults, including, but not limited to, abused or neglected children, and includes the following:
  - a) A foster family home, which is a residential facility providing 24-hour care for six or fewer foster children that is owned, leased, or rented and is the residence of the foster parent or parents with whom the children have been placed, as specified.
  - b) A small family home, which is a residential facility for foster children who require special care and supervision, as specified.
  - c) A group home, which is a residential facility that provides 24-hour care and supervision to children, delivered at least in part by staff employed by the licensee in a structured environment. (Health & Saf. Code, § 1502.)
- 8) Provides that no person, firm, partnership, association, or corporation within the State and no State or local public agency shall operate, establish, manage, conduct, or maintain a community care facility in this State without a current valid license therefor as specified. (Health & Saf. Code, § 1508.)
- 9) Provides that a facility shall be deemed an "unlicensed community care facility" and "maintained and operated to provide nonmedical care" if it is unlicensed and not exempt from licensure and any one of the following conditions is satisfied:
  - a) The facility is providing care or supervision, as defined.
  - b) The facility is held out or represented as providing care or supervision, as defined.

- c) The facility accepts or retains residents who demonstrate the need for care or supervision, as defined.
- d) The facility represents itself as a licensed community care facility.
- e) The facility is performing any of the functions of a foster family agency or holding itself out as a foster family agency.
- f) The facility is performing any of the functions of an adoption agency or holding itself out as performing any of the functions of an adoption agency. (Health & Saf. Code, § 1503.5(a).)
- 10) Provides that no unlicensed facility, as defined in 9), shall operate in the State. (Health & Saf. Code, § 1503.5(b).)
- 11) Provides that, upon discovery of an unlicensed community care facility, DSS shall refer residents to the appropriate local or state ombudsperson, or placement, adult protective services, or child protective services if either of the following conditions exists:
  - a) There is an immediate threat to the clients' health and safety.
  - b) The facility will not cooperate with the licensing agency to apply for a license, meet licensing standards, and obtain a valid license. (Health & Saf. Code, § 1503.5(c).)
- 12) Provides that DSS may assess an immediate civil penalty against any person who operates an unlicensed community care facility in violation of 8), 10), or both. (Health & Saf. Code, § 1547(a).)
- 13) Provides that the civil penalty authorized in 12) shall be imposed if an unlicensed facility is operated and the operator refuses to seek licensure, or if the operator seeks licensure and the application is denied and the operator continues to operate the unlicensed facility, unless DSS determines that other available remedies, including criminal prosecution, are more effective. (Health & Saf. Code, § 1547(b).)
- 14) Provides that an operator may appeal the assessment of civil penalties under 12) to the director of DSS, and DSS shall adopt regulations setting forth the appeal procedure. (Health & Saf. Code, § 1547(c).)

This bill:

- 1) States that it is the intent of the Legislature in enacting this bill to empower DSS to take quick, effective action to protect the health and safety of foster children and youth in unlicensed residential foster care facilities.
- 2) Defines the following terms:
  - a) "Residential foster care facility" or "facility" means a facility that provides 24hour nonmedical care and supervision to foster children or youth, but does

not include a private foster family home, small family home, or certified family home.

- b) "Temporary placement manager" means a person, corporation, or other entity, appointed temporarily by DSS as a substitute facility placement manager or administrator with authority to hire, terminate, or reassign staff, obligate facility funds, alter facility procedures, and manage the appropriate placement of a foster child or youth.
- 3) Authorizes DSS to appoint a temporary manager of an unlicensed foster care facility as follows:
  - a) DSS must provide a statement of allegations to a residential foster care facility if DSS has reason to believe, including, but not limited to, a complaint investigated by the State Foster Care Ombudsperson, that the residential foster care facility is operating without a license and is endangering the welfare of foster care children or youth in the facility, including, but not limited to, in violation of the Foster Youth Bill of Rights.
  - b) Within 48 hours of providing the initial statement of allegations, DSS must provide the facility with a formal statement of allegations, supported by a declaration of the director or the director's authorized designee, that specifies DSS's factual legal basis for appointing, 60 calendar days after the formal statement of allegations is issued, a temporary placement manager to locate appropriate placements for any foster children or youth residing in the unlicensed facility, and operate the facility until all appropriate placements have been arranged.
  - c) Upon appointment, the temporary manager shall take all necessary steps and make best efforts to arrange suitable alternative placements for all foster children and youth in the facility.
- 4) Provides that the appointment of a temporary placement manager appointed under 3) is effective 61 calendar days after DSS issues the formal statement of causes and concerns, and continues until the temporary placement manager notifies DSS, and DSS verifies, that suitable alternative placements have been arranged for all foster children and youth in the facility.
- 5) Provides that a temporary placement manager shall not be appointed under 4) if the facility arranges appropriate placements for all children and youth residing in the facility before the end of the 60-day period.
- 6) Provides that the appointment of a temporary placement manager authorizes the temporary placement manager to act pursuant to the requirements in this bill and shall be made pursuant to an agreement between the temporary placement manager and DSS which outlines the circumstances under which the temporary manager may expend funds. The temporary placement manager shall not make long-term capital investments to the facility without the permission of DSS

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- 7) Requires a temporary placement manager appointed pursuant to 3) to meet the following qualifications:
  - a) Be qualified to oversee correction of deficiencies on the basis of experience and education.
  - b) Not have been found guilty of misconduct, and not be the subject of any pending action or investigation, of any licensing board.
  - c) Not currently serve, or have served within the past two years, as a member of the staff of the facility.
- 8) Authorizes DSS to assess an immediate civil penalty for a person who operates an unlicensed residential foster care facility in the amount of \$500 for each foster child or youth residing in the facility per day of the violation.
- 9) Provides that a civil penalty assessed under 8) shall be assessed commencing on the date that the unlicensed facility is issued a formal statement of allegations by DSS pursuant to 3)(b).
- 10) Provides that, in addition to the penalties assessed under 8), a person that fails to locate appropriate placements for all of the foster children and youth residing in the unlicensed facility within 60 days after receiving the formal statement of allegations shall be assessed by DSS an immediate civil penalty of \$5,000 for each remaining foster child or youth residing in the unlicensed facility per day of the violation.
- 11) Provides that a person assessed a penalty under 9) or 10) may appeal the assessment to the director of DSS, and that DSS shall adopt regulations setting forth the appeal procedure.
- 12) Includes an urgency clause.

# **COMMENTS**

### 1. Author's comment

According to the author:

Youth who have been removed from their home and placed into foster care are one of the most vulnerable populations in our state. Yet, time and time again California has turned a blind eye while counties across the state continue to house foster youth in inappropriate settings that are not conducive to their safety, permanency, and well-being. In 2021, there were reports of Fresno County housing children who were waiting to be placed in foster homes inside child welfare offices and sleeping on floors and desks. Most recently, reports surfaced that since August of 2022, Sacramento County has placed foster youth in a former juvenile detention facility that is unlicensed, and in violation of multiple health, safety, and fire code laws, claiming it is the safest and best option as they continue to seek viable solutions for placements in licensed settings. As a state, it is our duty and responsibility to ensure foster youth are not put in harm's way. When we allow counties to house foster youth in unfit facilities, we are not only telling youth that their well-being is not a priority, but we are signaling to them that residing in detention centers is their inevitable future.

AB 426 seeks to remedy this issue by sanctioning the California Department of Social Services (CDSS) to issue a statement of allegations and a statement of cause and concerns to a county if CDSS has a reason to believe that the welfare of foster youth in an unlicensed facility is being endangered. This bill also imposes civil penalties in the amount of \$500 and \$5000 for each foster youth residing in a facility per day for endangering the welfare of foster youth and for failing to make appropriate placements for each foster youth per day, respectively. AB 426 further adds an urgency clause to immediately ensure the safety and welfare of children and youth in unlicensed foster care facilities.

# 2. <u>Foster children in some counties are being housed in unsuitable conditions in unlicensed facilities</u>

The Legislature has declared that "the state assumes an obligation of the highest order to ensure the safety of children in foster care."<sup>1</sup> In practice, however, foster children are sometimes housed in conditions that are more likely to traumatize than to comfort.

In April of this year, the Sacramento Bee reported that Sacramento County child welfare officials had been housing foster children "in cells in a former juvenile detention facility, in violation of state law."<sup>2</sup> Sacramento County continued to house the foster youth in the facility despite the DSS Foster Care Ombudsmen informing the county in February the facility was unlicensed and in violation of California law.<sup>3</sup> The DSS Foster Care Ombudsmen described the conditions as "'jail-like' cells, containing mental bunk beds, and metal toilets covered with wood," which could "'retraumatize' youth and make them feel 'physically and psychologically unsafe.' <sup>"4</sup> Records show that law enforcement and firefighters were called to the building 81 times in eight months, for "everything from overdoses to violent attacks to smoke alarms going off due to clouds

<sup>&</sup>lt;sup>1</sup> Welf. & Inst. Code, § 16000.1.

<sup>&</sup>lt;sup>2</sup> Clift, *Exclusive: Sacramento County foster kids have been living in cells for 6 months*, Sacramento Bee (originally published Apr. 10, 2023; updated May 2, 2023),

https://www.sacbee.com/article273785975.html. All links in this analysis are current as of July 7, 2023. <sup>3</sup> Clift, *Foster kids would be removed from cells in Sacramento County if new lawsuit prevails*, Sacramento Bee (originally published Apr. 25, 2023; updated Apr. 26, 2023), https://www.sachee.com/article274500056 html

https://www.sacbee.com/article274590056.html.

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of marijuana smoke inside the building."<sup>5</sup> A pending lawsuit also alleges that a foster youth who was housed in the detention facility — and in an office building before that by the county had been coerced into sex work while in the county's custody.<sup>6</sup> According to the family member who brought the suit, the girl said that "the facility felt like a jail."<sup>7</sup> The county generally housed children aged 13 to 17 in the detention facility, "though sometimes they are younger."<sup>8</sup>

DSS denied the county's application to operate the detention center as a foster care facility, and as a result, the county was given until June 16, 2023, to find placements for all of the youth housed there.<sup>9</sup> The county announced that it would meet the deadline – barely.<sup>10</sup> On June 27, 2023, the Superior Court for the County of Sacramento entered a final judgment against the County of Sacramento in an action brought by the Youth Law Center to enjoin the country from continuing to house children in the unlicensed juvenile detention facility.<sup>11</sup> The terms of the judgment against the county require it to, among other things, provide the youth housed at the facility with mental health and substance abuse treatment services, find appropriate licensed placements for the youth, and cease and desist any use of the detention to house foster children.<sup>12</sup>

Sacramento is not the only county that has resorted to less-than-desirable placements for foster youth. In 2021, Fresno County housed foster youth in office buildings; the children slept on cots, desks, and the floor.<sup>13</sup>

### 3. DSS's current options to address unlicensed foster care facilities

Current law tacitly assumes that an unlicensed foster care facility will be run by a private party: when DSS discovers an unlicensed foster care facility, it is required by statute to notify the appropriate child protective services agency.<sup>14</sup> This is not much of a remedy when the county that runs the child protective services agency is also running the unlicensed facility.

<sup>&</sup>lt;sup>5</sup> Manoucheri & Bandur, *Drugs, alcohol, and violence inside Sacramento County foster youth facility,* KCRA3 (as updated June 8, 2023), <u>https://www.kcra.com/article/sacramento-county-wet-center-foster-youth-drugs/44131290</u>.

<sup>&</sup>lt;sup>6</sup> Foster kids would be removed from cells in Sacramento County if new lawsuit prevails, supra. <sup>7</sup> Ibid.

<sup>&</sup>lt;sup>8</sup> Exclusive: Sacramento County foster kids have been living in cells for 6 months, supra.

<sup>&</sup>lt;sup>9</sup> Clift, *California orders Sacramento County to remove all foster children from cells by June 16*, Sacramento Bee (May 30, 2023), https://www.sacbee.com/article275893376.html.

<sup>&</sup>lt;sup>10</sup> Clift, *Sacramento County to remove foster children from cells, avoiding state fines*, Sacramento Bee (Jun. 15, 2023), <u>https://www.sacbee.com/news/local/article276419811.html</u>.

<sup>&</sup>lt;sup>11</sup> Daniels v. County of Sacramento, Final Judgment, Case No. 23WM000024 (Jun. 27, 2023).

<sup>&</sup>lt;sup>12</sup> *Id.* at pp. 6-10.

<sup>&</sup>lt;sup>13</sup> Harrington, *Fresno Co. Social Services looks for long-term plan to house kids, here's how other counties do it,* ABC 30 Action News (Oct. 18, 2021), <u>https://abc30.com/fresno-county-children-social-services/11141342/</u>.

<sup>&</sup>lt;sup>14</sup> Health & Saf. Code, § 1503.5(c).

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DSS is also authorized to assess an administrative penalty against an unlicensed civil penalty in the amount of \$200 per day.<sup>15</sup> The penalty may be imposed only if the operator of the facility refuses to seek licensure or if the operator applies for a license and is denied.<sup>16</sup> In the case of Sacramento County, DSS denied the county's application to operate the detention facility as a foster care facility on May 16 and threatened to start levying the penalty if the youths were not given new placements by June 16;<sup>17</sup> the county was ultimately able to meet the June 16 deadline and avoid the penalties.<sup>18</sup>

# 4. <u>This bill allows DSS to appoint a temporary manager of an unlicensed residential</u> <u>foster care facility, in order to find suitable placements for the child and youth residents</u>

This bill implements a framework for DSS to appoint a temporary manager to take control of an unlicensed residential foster care facility that is endangering the health and welfare of foster children and youth, for the limited purpose of finding suitable placements for the foster children and youth housed there. Under the bill, DSS is required to provide to the facility an initial statement of reasons setting forth the intent to appoint of a temporary manager, and, within 48 hours, provide a formal statement of allegations. Upon receipt of the formal statement, the unlicensed facility has 60 days in which to attempt to find suitable placements for its residents. On the 61st day, the temporary manager will take over and complete the task of finding placements for the residents.

AB 426 also implements a new penalty framework to increase the penalties DSS can levy when foster children are housed in an unlicensed facility. The bill's civil penalties start at \$500 per child per day and increase to \$5,000 per child per day for every child who is still unplaced when a temporary manager assumes control of the facility. Some stakeholders have raised concerns that the penalties will be impose directly on employees; for two reasons, this is not likely to happen. First, though the bill refers to the penalty being imposed on a "person," Health and Safety Code section 19 establishes that a "person" includes non-natural person entities.<sup>19</sup> Second, existing principles of vicarious liability and respondeat superior would apply here to ensure that individuals would not be liable for the penalty unless they were acting outside the scope of their employment.<sup>20</sup> Additionally, public employees are not liable for an injury resulting from the result of their exercise of discretion unless specifically provided for by statute.<sup>21</sup> The author has agreed to amendments to make clear that public entities may

<sup>&</sup>lt;sup>15</sup> *Id.*, § 1547(a).

<sup>&</sup>lt;sup>16</sup> Id., § 1547(b).

<sup>&</sup>lt;sup>17</sup> California orders Sacramento County to remove all foster children from cells by June 16, supra.

<sup>&</sup>lt;sup>18</sup> Sacramento County to remove foster children from cells, avoiding state fines, supra.

<sup>&</sup>lt;sup>19</sup> Health & Saf. Code, § 19.

<sup>&</sup>lt;sup>20</sup> See, e.g., Farmers Ins. Group v. County of Santa Clara (1995) 11 Cal.4th 992, 1004-1005; Gov. Code, §§ 815.2. <sup>21</sup> Gov. Code, §§ 820, 820.2. Courts have held that determining whether an employee exercised discretion requires distinguishing "between the employee's operational and policy decisions," holding that a policybased decision should be allotted greater discretion and protection from liability. (*Barner v. Leeds* (2000) 24 Cal.4th 676, 685.)

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also be liable for the civil penalty (whether directly or under the theory of respondeat superior).

While AB 426 gives DSS a tool to assume direct control over unlicensed facilities when foster children are being kept in untenable conditions, AB 426 does not provide any new solutions for ensuring that there are enough suitable placements, particularly for foster children with complex needs, in the first place. It is possible that the threat of the enhanced penalties will spur counties to find additional placements for foster children and youth. Or maybe DSS, upon taking control of an unlicensed facility, will discover that the problems are, as the bill's opponents argue, insufficient funding and lack of capacity, not county intransigence. If that turns out to be the case, perhaps this bill could be the first step in a reckoning with regard to how much we spend on foster children and youth.

### 5. <u>Due process requirements</u>

"Procedural due process imposes constraints on governmental decisions which deprive individuals of 'liberty' or 'property' interests within the meaning of the Due Process Clause of the Fifth or Fourteenth Amendments."<sup>22</sup> As such, to fall within the Due Process Clause, an interest must be "within the contemplation of the 'liberty or property' language of the Fourteenth Amendment."<sup>23</sup> A license issued by the State to conduct some business is generally considered to fall within the ambit of property interests covered by the Fourteenth Amendment, and license revocation procedures are therefore generally required to provide some degree of process to the affected licensee.<sup>24</sup> To that end, existing law authorizing the State to appoint a temporary manager to assume operation of a licensed community care facility (including a foster care facility) provides the licensee with an opportunity to contest the appointment prior to the appointment, to be heard before a hearing officer, and to appeal the decision to a superior court.<sup>25</sup>

This bill, by contrast, deals with *unlicensed* foster care facilities, i.e., facilities that the operator has no right to operate in the first place.<sup>26</sup> The property interests implicated by this bill are accordingly nil; there is no right to illegally operate a foster care facility. If, however, DSS improperly used the bill's procedures to appoint a temporary placement manager for a licensed facility, that would be an improper deprivation of the licensee's right to a hearing.

The author has agreed to amend the bill to make clear that the target of a notice from DSS to appoint a temporary placement manager may file an action in superior court to

<sup>&</sup>lt;sup>22</sup> Mathews v. Eldridge (1976) 424 U.S. 319, 332.

<sup>&</sup>lt;sup>23</sup> Morrissey v. Brewer (1972) 408 U.S. 471, 481.

<sup>&</sup>lt;sup>24</sup> E.g., California Ass'n of PSES v. California Dept. of Educ. (2006) 141 Cal.App.4th 360, 371-372.

<sup>&</sup>lt;sup>25</sup> Health & Saf. Code, § 1546.1(f)

<sup>&</sup>lt;sup>26</sup> *Id.*, § 1503.5(b).

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enjoin the appointment on the basis that the target actually has a valid license; this procedure provides an improperly targeted licensee with a mechanism to ensure that they are not removed without the procedural protections due to a licensee. The amendments expressly limit the scope of the review to the licensing question, and make clear that the court should not prevent DSS from taking any remedial actions it is entitled to take against a licensee. The scenario contemplated by these amendments — that DSS would inadvertently, or deliberately, take action against a licensee as if they were unlicensed — is far-fetched, but the amendments will nonetheless protect licensees in such a scenario.

In the same vein, the amendments specify that the regulations adopted by DSS for appealing the enhanced civil penalties put in place by this bill must include judicial review by a superior court under Code of Civil Procedure section 1094.5, which provides for appeals of administrative decisions. This measure is also intended to ensure that a person assessed with a penalty under this bill receives adequate due process.

#### 6. Amendments

As discussed in Parts 4 and 5, above, the author has agreed to amend the bill to (1) clarify that the civil penalties in the bill may be imposed on a public entity, and (2) add due process protections. The amendments are as follows, subject to any nonsubstantive changes that the Office of Legislative Counsel may make:

#### Amendment 1

In Section 1 of the bill, add a new subdivision (d) to clarify that a "person" includes a public entity.

### Amendment 2

At page 4, in line 9, after "procedure" delete "." and insert ", which shall include judicial review as provided in Section 1094.5 of the Code of Civil Procedure by the superior court sitting in the county where the facility is located."

#### Amendment 3

At page 6, after line 17, insert:

(g) (1) A residential foster care facility that receives a formal statement of allegations under subdivision (c) may contest the appointment of a temporary manager by seeking injunctive relief in the superior court sitting in the county in which the facility is located.

(2) (A) A residential foster care facility must file its application for injunctive relief and provide notice to the department within 15 days of receiving the formal statement of allegations.

(B) The department shall file its response within 10 days of receiving the application.

(C) The court shall hold a hearing on the application for injunctive relief within 15 days of receiving the department's response and issue a decision within 5 days of the hearing.

(3) The court's review shall be limited to the question of whether the residential foster care facility is operating pursuant to a valid license. If the residential foster care facility proves that it is operating pursuant to a valid license, the court shall enjoin the appointment of a temporary manger under the notice at issue. The court's order shall not prohibit the department from taking any action authorized by law against a licensee.

### 7. Arguments in opposition

According to the County Welfare Directors Association (CWDA):

While well-intentioned, AB 426 is the wrong approach to addressing the significant issues currently facing the child welfare system. As has been publicly reported for more than a year now, the lack of treatment options for complex needs youth is resulting in counties utilizing unlicensed facilities such as offices and hotel rooms in lieu of licensed alternatives. A CWDA survey of counties found hundreds of instances of such situations last year alone. This is not the situation any county director wants, but it is what counties face when there are not enough appropriate licensed settings – either family based or congregate – who will accept our children and youth for placement and provide them with the treatment and services they desperately need...

A recent survey of county members found more than 1,000 instances of foster youth staying in unlicensed settings (such as hotels and county offices), or overstaying their time in licensed placements such as county shelters in calendar year 2022. We also note California is not alone in struggling with options for youth with the most complex needs. Other states report a similar crisis. AB 426, while well intentioned, does nothing to address the underlying issue that leads counties to have foster youth in unlicensed placements. AB 426 would allow the state, which has little to no experience in the direct care of youth, with little documentation or due process for counties, to place a "temporary manager" over a county-administered residential foster care facility. Allowing the state to take over a county facility, does nothing to address the underlying root cause of why these youth are at such facilities in the first place – the severe lack of more appropriate, service-rich, community-based treatment options for foster youth. Were the state to come into a facility as a "temporary manager," it would still face all of these issues and, due to its lack of knowledge of direct care, likely struggle even more to arrange necessary services and supports for these youth. Rather than a recipe for success, this bill is a recipe for even more harm to youth who have already suffered significant trauma and likely numerous placement moves and staffing changes over their time in foster care.

### **SUPPORT**

None known

## **OPPOSITION**

County of Kern County Welfare Directors Association

# **RELATED LEGISLATION**

<u>Pending Legislation</u>: SB 408 (Ashby, 2023) requires the Department of Health Care Services, in consultation with DSS, to establish up to 10 regional health teams throughout the state to serve foster youth and youth who may be at risk of entering foster care at a facility or through mobile services in home or other community-based settings. SB 408 is pending before the Senate Health Committee.

<u>Prior Legislation:</u> AB 2377 (Chiu, Ch. 146, Stats. Stats. 2020) among other things, established proceedings by which the Department of Health Services may appoint a temporary manager for an adult residential facility.

# **PRIOR VOTES:**

Senate Human Services Committee (Ayes 4, Noes 1) Assembly Floor (Ayes 77, Noes 0) Assembly Appropriations Committee (Ayes 11, Noes 0) Assembly Housing and Community Development Committee (Ayes 8, Noes 0)

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