



CWDA
Advancing Human Services
for the Welfare of All Californians



February 4, 2022

To: The Honorable Susan Talamantes Eggman
Chair, Senate Budget Subcommittee No. 3

Honorable Members
Senate Budget Subcommittee No. 3

The Honorable Dr. Joaquin Arambula
Chair, Assembly Budget Subcommittee No. 1

Honorable Members
Assembly Budget Subcommittee No. 1

From: Cathy Senderling-McDonald, Executive Director, CWDA
Libby Sanchez, Government Relations Advocate, SEIU California

**RE: FULLY FUND THE RESOURCE FAMILY APPROVAL
(RFA) STATE-MANDATED PROGRAM**

The County Welfare Directors Association (CWDA) and the Service Employees International Union State Council (SEIU) request your support for full funding for the Resource Family Approval (RFA) process, a state-mandated activity passed as part of the Continuum of Care Reform (CCR) that helps relatives and non-related individuals become approved foster caregivers. The current estimate of these costs is \$100 million General Fund (GF) annually, although we are in the process of gathering specific cost data for the 2019-20 fiscal year, the year of CCR costs that are being reconciled now. These costs have been fronted by counties for years without reimbursement due to a disputed interpretation of the constitutional requirements of Proposition 30, as set forth below.

RFA Promotes Family-Based Care

Under CCR, enacted through passage of AB 403 (Statutes of 2015), all counties as well as foster family agencies (FFAs) are required to implement a streamlined, child-focused and family-friendly process that combined relative approval, foster care licensing, and adoption home studies into a single, unified process. This process, known as RFA, eliminated redundancies between the three separate processes, which were often confusing for prospective caregivers. Under RFA, all caregivers are treated equally and supported up-front to ensure they are adequately prepared for the important job of caring for our state's abused,

neglected and exploited children and youth. RFA ensures all caregivers receive pre-approval training on trauma-informed care, that they pass extensive criminal background checks and a home inspection and are further vetted through a family assessment process.

The goals of RFA align with, and support, CCR's vision of placing foster children into home-based settings with loving family caregivers. Counties have seen positive outcomes since RFA implemented statewide in January 2017. For example, the training that all resource parents receive, especially relatives, has helped them feel more prepared and have a better understanding of the needs of the children and youth in their care. RFA promotes permanency by helping to better match foster children and youth to caregivers and preparing resource parents for the possibility of becoming a permanent family for the children in their care. RFA has helped to improve permanency outcomes and expedite the process towards adoption and guardianship. New law co-sponsored by CWDA (SB 354, Skinner, Statutes of 2021) further reduces barriers for placement and approvals through RFA, particularly for relatives and non-relative extended family members (NREFMs), thus promoting continuity of family-based care for foster children.

Lack of RFA Funding Will Undermine Efforts for Relative-Based Care

After passage of CCR in 2015 and implementation of RFA, placements into relative-based care have increased steadily, from 27 percent in 2016 to 34 percent in 2021. This steady increase in relative-based placements is due to a combination of legislative actions to support relative caregivers, including prior funding for RFA and implementation of the Payment at Placement for emergency relative caregivers. As the Legislative Analyst's Office (LAO) has previously noted, a critical first step in reducing use of congregate care is to ensure timely approvals of resource families, and any delays in approvals are likely to have a negative impact on resource families and contribute to higher state-level costs for CCR.

The Administration's January budget proposes to provide counties with \$4.4 million GF, to be available one-time over three years beginning in 2022-23, to address the backlog of RFA pending applications. However, if counties are unable to maintain state-mandated RFA operations due to inadequate funding, there will always be a backlog of applications. Another Administration proposal would reduce payments for the care and supervision of foster children by relative caregivers and non-related extended family members (NREFMs) pending completion of the RFA process, from the current 120 days to 90 days. In light of the ongoing backlog that is likely to continue due to inadequate funding, this reduction in the timeline may be premature. Furthermore, there continues to be pandemic-related impacts on both the RFA process and resource families themselves. Increased costs of basic necessities means that caregivers have higher expenses, which are magnified when foster children are placed in their care. Delays in the RFA process, due to unfunded workload, will result in the reduction of available supports to relative caregivers and NREFMs under this proposal, when such support is most needed at the initial time of placement of foster

children. Inadequate funding for the RFA process will also result in high social worker caseloads and staff turnover, again undermining federal and state mandates to promote relative-based care.

Proposition 30 and RFA

The state constitutional provisions of Proposition 30 require that the state fund the net costs to each county of any new state child welfare requirements or programs enacted after 2011 and provides that counties need only implement those new state requirements or programs to the extent state funding is provided. In accordance with Proposition 30, the State Budget has provided reimbursement for CFTs, based on a methodology for determining county-by-county net costs developed by CWDA and CDSS. Although reimbursement of net CFT costs for 2019-20 and all subsequent fiscal years will continue to be provided as part of the annual budget, the Administration has stated it will not provide reimbursement for the net new costs associated with the RFA process as part of this calculation. The Administration believes the RFA process was in statute prior to 2011 Realignment and, therefore, also believes that all costs associated with the statewide RFA process required by CCR are a county responsibility. Based on the agreed-upon CCR True-up methodology, we currently estimate the unfunded net new cost of the RFA process for the 2019-20 fiscal year to be \$100 million.

CWDA strongly disagrees with the Administration's interpretation that the RFA process under CCR is not subject to Proposition 30. Although the RFA process was in statute prior to 2011 Realignment, it was only as a pilot project in five counties that had yet to even be fully implemented prior to 2011; upon completion of the pilot, additional counties could have chosen to implement the RFA process at their discretion. No statewide mandate existed for RFA under pre-2011 statute; the CCR legislation made the RFA process a statewide requirement for all counties. In addition, CDSS has administratively added specific process requirements in their statewide implementation of RFA, which have contributed to the workload and costs associated with RFA, that were not present in the statute prior to 2011 Realignment. Were it not for a statewide mandate of the RFA process and the imposition of additional administrative requirements, it is impossible to believe that counties would voluntarily have increased their spending on home approvals by hundreds of millions of dollars over the past four fiscal years or maintained a process that resulted in a months-long backlog of home approvals.

The vision of CCR as noted in AB 403 is "to maintain children's safety, well-being, and healthy development when they are removed from their own families by placing them, whenever possible and appropriate, with relatives or someone familiar, or, when this is not possible or appropriate, with other caregiving families that are able to meet their physical, social and emotional needs until they can return home." To achieve this goal requires adequate and dedicated funding to the family-based approval process.

For these reasons, we urge the Legislature's support to provide \$100 million GF to fully fund the crucial work of RFA. Thank you for your consideration.

cc: Chris Woods, Office of the Senate President Pro Tempore
Mareva Brown, Office of the Senate President Pro Tempore
Jason Sisney, Office of the Speaker of the Assembly
Kelsy Castillo, Office of the Speaker of the Assembly
Renita Polk, Senate Budget and Fiscal Review Subcommittee No. 3
Nicole Vazquez, Assembly Committee on Budget Subcommittee No. 1
Marisa Shea, Senate Human Services Committee
Debra Cooper, Assembly Human Services Committee
Rebecca Hamilton, Senate Republican Fiscal Office
Joe Shinstock, Assembly Republican Fiscal Office
Eric Dietz, Assembly Republican Fiscal Office
David Stammerjohan, Office of Senator Talamantes Eggman
Karen Jones, Office of Assembly Member Arambula
Jessica Bartholow, Office of Senator Skinner
Ginni Bella Navarre, Legislative Analyst's Office
Richard Figueroa, Office of the Governor
Tam Ma, Office of the Governor
Marko Mijic, Health and Human Services Agency
Kim Johnson, California Department of Social Services
Adam Dorsey, HHS, Department of Finance
Justin Garrett, California Association of Counties
County Caucus