Date of Hearing: July 15, 2025

### ASSEMBLY COMMITTEE ON HEALTH Mia Bonta, Chair SB 582 (Stern) – As Amended June 26, 2025

#### SENATE VOTE: 39-0

SUBJECT: Health and care facilities: licensing during emergencies or disasters.

**SUMMARY:** Provides various licensing and payment flexibilities for specified facilities affected by a fire or other disaster as follows: 1) Requires the State Department of Public Health (DPH) or the State Department of Social Services (DSS), as applicable, to allow certain facilities, when nonoperational due to their destruction, significant damage, or prolonged closure, to obtain a disaster suspension of their active license if the entity notifies the appropriate department that it intends to become operational again, by being rebuilt or reopening or otherwise, in the same or alternative location; 2) Authorizes the Department of Health Care Services (DHCS) to allow a disaster suspension of licenses for alcohol or other drug recovery or treatment facilities; 3) Requires DHCS to require Medi-Cal managed care plans to presume that conditions are met for Emergency Remote Services in Community-Based Adult Services (CBAS) programs for purposes of an entity made nonoperational as described above; and, 4) Requires DSS to waive in-person or daily attendance requirements for childcare programs for purposes of an entity made nonoperation or significant damage. Specifically, **this bill**:

- 1) Applies to the following entities within DPH:
  - a) Clinics;
  - b) Skilled nursing facilities (SNFs);
  - c) Various types of intermediate care facilities (ICF);
  - d) Congregate living health facilities (CLFS);
  - e) Hospice facilities; and,
  - f) Adult day health center or adult day health care centers.
- 2) Applies to the following entities within the jurisdiction of DSS:
  - a) Residential facility;
  - b) Adult day program;
  - c) Foster family home;
  - d) Small family home;
  - e) Transitional shelter care facility;

- f) Transitional housing placement provider;
- g) Enhanced behavioral supports home;
- h) Community crisis home;
- i) Crisis nursery;
- j) Short-term residential therapeutic program;
- k) Adult residential facility;
- 1) Medical foster home for veterans;
- m) Residential care facility for the elderly (RCFE);
- n) Child daycare facility, including, but not limited to, the following:
  - i) Daycare center;
  - ii) Employer-sponsored childcare center;
  - iii) Family daycare home;
  - iv) School age childcare center; and,
  - v) Drop-in childcare center.
- 3) Applies to all of the following types of emergency proclamations or declarations:
  - a) A state of emergency, as proclaimed by the Governor;
  - b) A federal emergency declaration by the President of the United States;
  - c) A federal major disaster declaration by the President of the United States; and,
  - d) A federal fire management assistance declaration approved by the Federal Emergency Management Agency.
- 4) Requires DPH or DSS to allow an entity described in 1) or 2) above that is that is made nonoperational, due to its destruction, significant damage, or through a prolonged closure or otherwise, during and as a result of an emergency or disaster proclaimed or declared as described in 3) above, both of the following to apply:
  - a) Notwithstanding any other law, DPH or DSS, to allow the entity, when nonoperational due to its destruction, significant damage, or prolonged closure, to obtain a disaster suspension of its active license if the entity notifies the appropriate department that it intends to become operational again, by being rebuilt or reopening or otherwise, in the same or alternative location; and,

- b) Requires the entity to notify the applicable department within six months of the proclamation or declaration if the entity seeks to obtain a disaster suspension of its active license.
- 5) Prohibits the provisions in 4) above from being construed as waiving any applicable inspection requirements under existing law for purposes of making entities operational again.
- 6) Authorizes DPH or DSS, in the case of an entity listed in 1) or 2) above, that is made nonoperational, due to its destruction, significant damage, or through a prolonged closure or otherwise, during and as a result of an emergency or disaster, to allow both of the following to apply:
  - a) Notwithstanding any other law, DPH or DSS, to allow the entity, when nonoperational due to its destruction, significant damage, or prolonged closure, to obtain a disaster suspension of its active license if the entity notifies the appropriate department that it intends to become operational again, by being rebuilt or reopening or otherwise, in the same or alternative location; and,
  - b) Requires the entity to notify the applicable department within six months of the proclamation or declaration if the entity seeks to obtain a disaster suspension of its active license.
- 7) Prohibits the provisions in 6) above from being construed as waiving any applicable inspection requirements under existing law for purposes of making entities operational again.
- 8) Authorizes DPH or DSS in the case of an entity listed in 1) or 2) above that is nonoperational due to its destruction, significant damage, or prolonged closure, and is being rebuilt for the same purpose, if DPH or DSS, has allowed the entity to obtain a disaster suspension of its active license to waive, in whole or in part, the annual state licensing fees for the entity on a year-by-year basis.
- 9) If an entity subject to 6) above is licensed or certified by more than one state department within the California Health and Human Services Agency (CalHHS), and is made nonoperational and obtains a disaster suspension of its active license, the governing state departments to coordinate operational steps, including the utilization of concurrent processes.
- 10) Requires DSS, for the duration of the first 90 calendar days following a proclamation or declaration of emergency, to waive in-person or daily attendance requirements for childcare programs for purposes of an entity made nonoperational, during those 90 calendar days.
- 11) Requires DSS to collaborate with local building, planning, and permitting officials, the local fire marshal, and local childcare agencies and regional centers, to ensure swift and seamless processes for inspecting and licensing entities that are subject to this bill and that are being made operational again after a proclaimed or declared emergency or disaster.
- 12) Requires, in the case of an alcohol or other drug recovery or treatment facility that is made nonoperational, due to its destruction, significant damage, or through a prolonged closure or otherwise, during and as a result of an emergency, the following to apply:

- a) Notwithstanding any other law, and in accordance with this bill, authorizes DHCS to allow the facility to obtain a disaster suspension of its active license if the facility notifies DHCS that it intends to become operational again, by being rebuilt or reopening or otherwise, in the same or alternative location; and,
- b) Requires the facility to notify DHCS within six months of the proclamation or declaration if the facility seeks to obtain a disaster suspension of its active license.
- 13) Prohibits this bill from being construed as waiving any applicable inspection requirements under existing law for purposes of making facilities operational again.
- 14) Authorizes DHCS, in the case of an alcohol or other drug recovery or treatment facility that was destroyed in a fire and is being rebuilt for the same purpose, if DHCS has allowed the facility to obtain a disaster suspension of its active license, DHCS to waive, in whole or in part, the annual state licensing fees for the facility on a year-by-year basis.
- 15) Requires, if an alcohol or other drug recovery or treatment facility subject to this bill is licensed or certified by one or more other state departments within the California Health and Human Services Agency in addition to DHCS, is made nonoperational and obtains a disaster suspension of its active license, the governing state departments to coordinate operational steps, including the utilization of concurrent processes.
- 16) Requires a SNF to do all of the following when adopting and updating their disaster and mass casualty program plan:
  - a) Seek input from county or regional and local planning offices, including the medical health operational area coordinator (MHOAC);
  - b) Incorporate, to the extent feasible, lessons learned from any recent major disasters that impacted SNFs in California; and,
  - c) Provide copies of the plan, including updates, to local or regional emergency planning offices, including the MHOAC.

17) Makes the following findings and declarations:

- a) On January 7, 2025, the Los Angeles area experienced the development of two massive wildfires, sweeping through established communities, leveling thousands of homes and businesses, and changing the course of people's lives;
- b) Among the losses were dozens of state-licensed entities, including, but not limited to, SNFs, adult residential facilities, other assisted living facilities, childcare centers and homes, and children's residential care facilities. Each of these losses is compounded by other facilities or other entities becoming nonoperational in the fires;
- c) Replacing the lost licensing capacity, or maintaining the licensing capacity, of these entities will be critical to returning these communities to their former vibrancy; and,
- d) It is the intent of the Legislature to facilitate the recovery and rebuilding of state-licensed facilities and other entities as quickly as possible.

### **EXISTING LAW:**

- 1) Establishes DPH which, among other functions licenses and regulates health facilities, including, but not limited to:
  - a) A clinic, which means an organized outpatient health facility that provides direct medical, surgical, dental, optometric, or podiatric advice, services, or treatment to patients who remain less than 24 hours, and that may also provide diagnostic or therapeutic services to patients in the home as an incident to care provided at the clinic facility;
  - b) SNFs which means a health facility that provides skilled nursing care and supportive care to patients whose primary need is for availability of skilled nursing care on an extended basis;
  - c) ICF which means a health facility that provides inpatient care to ambulatory or nonambulatory patients who have recurring need for skilled nursing supervision and need supportive care, but who do not require availability of continuous skilled nursing care;
  - d) CLHF which means a residential home with a capacity, of no more than 18 beds, that provides inpatient care, including the following basic services: medical supervision, 24hour skilled nursing and supportive care, pharmacy, dietary, social, and recreational. This care is generally less intense than that provided in general acute care hospitals but more intense than that provided in SNFs; and,
  - e) Hospice facility which means a health facility with a capacity of no more than 24 beds that provides hospice services. Hospice services include, but are not limited to, routine care, continuous care, inpatient respite care, and inpatient hospice care. [Health and Safety Code (HSC) § 1250]
  - f) Adult day health center or adult day health care center, which means an organized day program of therapeutic, social, and skilled nursing health activities and services provided to elderly persons or adults with disabilities with functional impairments, either physical or mental, for the purpose of restoring or maintaining optimal capacity for self-care. Provided on a short-term basis, adult day health care serves as a transition from a health facility or home health program to personal independence. Provided on a long-term basis, it serves as an alternative to institutionalization in a long-term health care facility when 24-hour skilled nursing care is not medically necessary or viewed as desirable by the recipient or their family. [HSC § 1570.7]
- 2) Requires SNFs to adopt and follow a written external disaster and mass casualty program plan developed with the advice and assistance of county or regional and local planning offices. [Title 22, California Code of Regulations § 72551]
- 3) Licenses and regulates RCFEs by DSS, defined as a housing arrangement chosen by persons 60 years of age or over, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided. [HSC § 1569, *et seq.*]
- 4) Requires RCFEs to have an emergency and disaster plan that includes, among other things, transportation needs and evacuation procedures to ensure that the facility can communicate

with emergency response personnel or can access the information necessary in order to check the emergency routes to be used at the time of an evacuation and relocation necessitated by a disaster. RCFEs are encouraged to have the plan reviewed by local emergency authorities. [HSC § 1569.695]

- 5) Licenses and regulates, by DSS through the California Community Care Facilities Act, various types of facilities that are maintained and operated to provide nonmedical residential care, day treatment, adult daycare, or foster family agency services, for children and/or adults, including the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children. [HSC § 1500, *et seq.*]
- 6) Establishes the California Child Day Care Facilities Act to license child daycare facilities by DSS. [HSC § 1596.70, *et seq.*]
- 7) Licenses and regulates adult alcohol or other drug recovery and treatment facilities by DHCS, defined as a place that provides residential nonmedical services to adults who are recovering from problems related to alcohol and/or drug misuse or addiction and who need recovery treatment or detoxification services. [HSC § 11834.01, *et seq.*]
- 8) Establishes the California Emergency Services Act, which provides the Governor with the authority to proclaim a state of emergency, and provides the Governor, during a state of emergency, with complete authority over all agencies of the state government and the right to exercise within the area all police power vested in the state by the Constitution and laws of California, and in exercising these powers, gives the Governor the authority to promulgate, issue, and enforce such orders and regulations as he deems necessary. [Government Code (GOV) § 8625, *et seq.*]
- 9) Defines three conditions of emergency for purposes of the Emergency Services Act, including a "state of war emergency," a "local emergency" that is within the territorial limits of a city or county, and a "state of emergency," which could be caused by air pollution, fire, flood, storm, epidemic, riot, drought, cyberterrorism, sudden and severe energy shortage, plant or animal infestation or disease, or an earthquake or other conditions, which are likely to be beyond the control of the services, personnel, equipment, and facilities of any single county or city and require the combined forces of a mutual aid region or regions to combat. [GOV § 85580]
- 10) Permits the county health officer and the local emergency medical services agency (LEMSA) administrator to act jointly as the MHOAC. Requires the MHOAC, in cooperation with the county office of emergency services, the local public health department, the local office of environmental health, the local department of mental health, the LEMSA, the local fire department, the regional disaster and medical health coordinator, and the regional office of the Office of Emergency Services (Cal OES), to be responsible for ensuring the development of a medical and health disaster plan for the operational area. Requires the MHOAC to recommend to the operational area coordinator of the Office of Emergency Services a medical and health disaster plan for the provision of medical and health mutual aid within the operational area. [HSC § 1797.153]
- 11) Under the California Emergency Services Act, coordinates the State Emergency Plan (SEP) and those programs necessary for the mitigation of the effects of an emergency in this state; and shall coordinate the preparation of plans and programs for the mitigation of the effects of

an emergency by the political subdivisions of this state, requires such plans and programs to be integrated into and coordinated with the SEP and the plans and programs of the federal government and of other states to the fullest possible extent. [GOV § 8569]

12) Under the SEP, requires Cal OES to coordinate with representatives, including, but not limited to, social service agencies, nonprofit organizations, and transportation providers, from the access and functional needs population regarding the integration of access and functional needs into the SEP. [GOV § 8570.4]

13) Specifies emergency or disaster proclamations as follows:

- a) A state of emergency, as proclaimed by the Governor; [GOV § 8625]
- b) A federal emergency declaration by the President of the United States [Section 5191 of Title 42 of the United States Code under the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 United States Code § 5121, *et seq.*] (Stafford Act);
- c) A federal major disaster declaration by the President of the United States under the Stafford Act; and,
- d) A federal fire management assistance declaration approved by the Federal Emergency Management Agency. [Title 44, Code of Federal Regulations § 204.21]

**FISCAL EFFECT**: According to the Senate Appropriations Committee, unknown, potential costs to DSS, DPH, and DHCS to oversee revised licensing processes. Potential costs would primarily be funded by existing special funds consisting of various facility-specific licensing fee revenues.

#### **COMMENTS**:

- 1) PURPOSE OF THIS BILL. According to the author, the January 2025 fires were devastating to our established communities, including licensed health and care facilities, which were severely impacted in the wake of destruction. The author states that this bill offers critical support to these vital facilities by helping them recover and ensuring their resilience in the face of future disasters. By allowing a temporary freeze on their active licenses, this bill enables facilities to avoid lengthy and costly re-licensing processes when the facility is ready to re-open. The author notes that this bill also provides flexibility for additional remedies such as waiving all or part of the annual state licensing fees for facilities which are being rebuilt and have been authorized for disaster-suspended licenses. The author concludes that with oversight from DSS, DHCS and DPH, support with licensing post-disaster is not only a step toward the recovery of these facilities but a step towards rebuilding the community as a whole.
- 2) BACKGROUND. January 7, 2025, the Eaton, Palisades, and Hurst fires erupted in Los Angeles. In the subsequent days, several more fires broke out in Los Angeles and adjacent counties. Governor Newsom proclaimed a state of emergency the same day and subsequently issued a series of executive orders, including policy directives related to licensed facilities. One executive order authorized DPH to waive licensing requirements and accompanying regulations for any hospital, clinic, other health facility, home health agency, or hospice agency impacted by this emergency. Additionally, this executive order authorized DSS to

waive provisions of law with respect to the use, licensing, certification, registration or approval of childcare providers, facilities or homes under DSS jurisdiction, and authorized DHCS to waive any licensing, certification, or approval requirements for behavioral health programs and facilities impacted, including alcohol and other drug programs. According to the California Department of Forestry and Fire Protection, based on preliminary assessments as of April 3, 2025, the Eaton and Palisades fires rank as the second and third most destructive wildfires in California history, and the fifth and ninth deadliest, respectively. The preliminary assessments estimate that 9,413 structures, including homes, outbuildings (barns, garages, sheds, etc.) and commercial properties were destroyed in the Eaton fire, and another 6,833 structures destroyed in the Palisades fire.

- a) State Emergency Plan (SEP). California Government Code Section 8650 establishes the SEP. The SEP is the primary plan for the California Emergency Support Functions (CA-ESFs). Emergency support functions are intended to provide a planning framework for local, tribal, state, and federal governments, as well as the private sector. This framework enables these entities to work together to mitigate, prepare for, respond to, and recover from the effects of emergencies regardless of the cause, size, location, or complexity. As part of its response-support role, in coordination with other CA-ESFs and the Office of Access and Functional Needs (OAFN) within Cal OES, the CA-ESF will support the mass care community in addressing individuals with disabilities, older adults, and others with access and functional needs (AFN). Virtually all incidents disproportionately affect individuals with AFN (i.e. people with disabilities, older adults, children, limited English proficiency, and transportation disadvantaged). The purpose of OAFN is to identify the needs of individuals with disabilities and others with access or functional needs before, during, and after disasters and to integrate them into the State's emergency management systems. OAFN plans for the realities of disasters by integrating access and functional needs into everything Cal OES does including partnership development, outreach, training, guidance and providing technical assistance.
- b) Disaster planning related to health facilities. California regulations governing SNFs require that a written external disaster and mass casualty program plan be adopted and followed. The plan is required to be developed with the advice and assistance of county or regional and local planning offices and not conflict with county and community disaster plans. A copy of the plan is required to be available on the premises for review by DPH. Among other provisions, it is required to have an evacuation plan, including evacuation routes, emergency phone numbers of physicians, health facilities, the fire department, and the LEMSAs, and arrangements for the safe transfer of patients after evacuation. The plan is required to be reviewed at least annually, and revised as necessary to ensure that the plan is current. Similarly, RCFEs are also required to have a disaster plan, and RCFEs are "encouraged" to have the plan reviewed by local emergency authorities.

Each region in California has a MHOAC that is responsible for ensuring the development of a medical and health disaster plan for the operational area. The medical and health disaster plan is required to follow national standards and include a list of seventeen policies and procedures. Anecdotally, MHOACs have indicated that disaster plans from SNFs and RCFEs are often not shared with them, and during emergencies when these facilities need to be evacuated, it can be chaotic. This bill requires SNFs to seek input from the MHOAC when developing or updating their disaster plans, and requires both SNFs and RCFEs to provide copies of these plans to the MHOAC to help with coordination in the event of a disaster.

- c) Childcare facilities. During the January 2025 fires in the Los Angeles area, like other businesses, childcare providers were deeply impacted. Unique to childcare, many providers are home-based, and as a result of losing their homes, they lost their businesses. DSS reported on January 21, 2025 that 37 child-care facilities were destroyed in the fires; 21 were child-care centers, and 16 were family child-care homes. An additional 284 were non-operational because of ash, debris, power outages, or a lack of potable water. As such, the Governor issued an Executive Order (EO) that allowed child care providers to continue to receive payment even if they were nonoperational due to the fire for 30 days. Childcare providers urged the Governor to extend the order because many providers were not ready to reopen. The Executive Order was not extended. This bill would allow childcare providers made nonoperational by a declared disaster to operate for 90 days without losing payments for failing to meet in-person or daily attendance requirements.
- **d)** Alcohol and drug treatment facilities. As noted above, the Governor's January 7<sup>th</sup> EO authorized DHCS to waive any licensing, certification, or approval requirements for behavioral health programs and facilities impacted, including alcohol and other drug programs. According to information provided by the author, 14 substance use disorder residential programs and one narcotic treatment program were made nonoperational. This bill authorizes DHCS to waive the annual state licensing fees for a facility on a year-by-year basis. This bill also requires, if an alcohol or other drug recovery or treatment facility subject to this bill is licensed or certified by one or more state departments within CalHHS and is made nonoperational and obtains a disaster suspension of its active license, the governing state departments must coordinate operational steps, including the utilization of concurrent processes to streamline the re-opening and licensure process.
- 3) SUPPORT. The California Long-Term Care Ombudsman Association (CLTCOA) supports this bill and states that even though health facilities are required to consult local emergency planning officials in the planning process, there is no requirement that any specific agency or official review the plan before the final version is submitted. Only final copies of the plans are required to be submitted to the licensing agencies (for SNFs and RCFEs) and the MHOAC (RCFEs only). In fact, the HSC explicitly states that DSS is not required to review or otherwise evaluate RCFEs' emergency preparedness plans for their feasibility. CLTCOA notes that MHOACs can provide facilities with invaluable feedback during the development of these plans and many MHOAC's already participate in this process. The MHOAC is responsible for coordinating local agencies and resources to respond to emergencies. MHOACs are therefore the best positioned to ensure that facilities' plans are consistent with "county and community disaster plans," as required by current law.

CLTCOA continues that the consequences of not reviewing or otherwise evaluating these plans are that older adults and adults with disabilities will be seriously injured or even die because they cannot evacuate their facilities safely. These residents have significant medical and/or care needs, with many SNF residents being nonambulatory. Their needs simply cannot be met without more preparation. This is unfortunately what happened during the Tubbs Fire in Sonoma County in 2017, when dozens of assisted living residents at two dementia care RCFEs nearly died because of the facility's poor planning, according to the residents' representatives. Older adults and adults with disabilities are among California's most

vulnerable populations. They deserve our utmost attention in planning for any state of emergency, and especially natural disasters they cannot as easily escape without assistance during an evacuation. CLTCOA concludes that this bill significantly increases protection for these residents and facility staff by ensuring that emergency professionals from the MHAOC review those plans to provide input *before* something terrible occurs.

## 4) RELATED LEGISLATION.

- a) AB 1068 (Bains) would require the Secretary of CalHHS in coordination with various state departments to develop a working group to make recommendations regarding the evacuation and sheltering needs of older adults and people with disabilities living in long-term care facilities during natural, technical or manmade disasters and emergencies. AB 1068 is pending in the Senate Committee on Governmental Organization.
- b) AB 1069 (Bains) would require as part of disaster planning and response, an Area Agency on Aging or an Aging and Disability Resource Connection program to have access to an emergency shelter in order to ensure older adults and persons with disabilities receive continuous services and necessary support. AB 1069 is pending in the Senate Committee on Governmental Organization.

# 5) PREVIOUS LEGISLATION.

- a) AB 3267 (Smith), Chapter 260, Statutes of 2020, requires Cal OES to coordinate with representatives from the access and functional needs population when updating the SEP; and, provides Cal OES with additional time to complete an after-action report following each declared disaster.
- b) AB 2064 (Patterson) of 2020 would have required Cal OES to review the emergency plans of all local governments to determine if they are consistent with the proposed best practices provisions and, upon request by a local government, provide necessary technical assistance to that local government. AB 2064 was held in the Assembly Committee on Appropriations.
- c) AB 2428 (Fong) of 2020 would have required Cal OES to work with representatives from the AFN population when updating the SEP and further requires Cal OES to develop and post on its website a guidance document regarding best practices for, and the lessons learned regarding, emergency and natural preparedness, for use by local governments. AB 2428 was held in the Assembly Committee on Governmental Organization.
- d) AB 3098 (Friedman) Chapter 348, Statutes of 2018, updated the required content for an RCFE's emergency and disaster plan and requires DSS to confirm that the plan is on file and includes the required content. Requires an applicant seeking an RCFE license for a new facility to submit the plan with the initial license application, and encourages all RCFE facilities to have its plan reviewed by local emergency authorities.
- e) AB 749 (Wolk) Chapter 477, Statutes of 2008, requires an RCFE to have an emergency plan including evacuation procedures, plans for the facility to be self-reliant for a minimum of 72 hours, transportation needs, and emergency response procedures. AB 749 requires each facility to make the plan available upon request to residents' onsite and

local emergency responders, and requires DSS to confirm during licensing visits that the plan is on file.

### **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Assisted Living Association California Commission on Aging California Long Term Care Ombudsman Association (CLTCOA) LeadingAge California

# **Opposition**

None on file

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