vices Center, but Must Act Soon to Successfully Relocate to a Permanent Site (Report No. 99114; October 1999).

LEGISLATION

SB 951 (Hayden). The Reporting of Improper Governmental Activities Act provides protections to state employees who report improper governmental activities. Under the Act, the State Auditor is authorized to conduct an investigative audit upon receiving confirmation that an employee or state agency has engaged in an improper governmental activity. A state employee, including a University of California employee, is prohibited from using his/her official authority or influence to intimidate, threaten, coerce, or command a person in order to interfere with the right of that person to make a disclosure under the Act.

As amended August 30, this bill renames the Act as the "California Whistleblower Protection Act," and more closely aligns California's "whistleblower" statutes with existing federal law. The bill expands the protection afforded to persons who either make a protected disclosure (defined as a disclosure to anyone of information that may evidence an improper governmental activity or evidence any condition that may significantly threaten the health or safety of employees or the public if the disclosure is made for the purpose of remedying the condition) or refuse to obey an illegal order (defined as any directive to violate or assist in violating a federal, state, or local law, rule, regulation, or order to work (or cause others to work) in unhealthy or unsafe conditions). The bill also provides that nothing in the bill is intended to supersede or limit the right to make a privileged publication in an official proceeding with regard to information provided under the Act. Governor Davis signed SB 951 on October 6 (Chapter 673, Statutes of 1999).

SB 144 (Schiff and Hertzberg), as amended July 13, authorizes the State Bar of California to require its members to pay annual licensing fees during 2000. To remedy a number of recent problems at the Bar, the bill prohibits the Bar from engaging in certain activities; requires the Bar to contract with an independent firm to audit its financial statements for each fiscal year beginning after December 31, 1998; and requires the Bar to contract with BSA for a performance audit of its operations from July 1, 2000, to December 31, 2000, inclusive. Commencing with January 1, 2002, through December 31, 2002, the Bar must contract with BSA to conduct a performance audit of its operations for the respective fiscal year every two years thereafter (see agency report on STATE BAR for related discussion). SB 144 was signed by the Governor on September 7 (Chapter 342, Statutes of 1999).

AB 644 (Wildman), as amended in August 1999, is no longer relevant to BSA.

Little Hoover Commission

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The Little Hoover Commission (LHC), more formally known as the Milton Marks Commission on California State Government Organization and Economy, was created by the legislature in 1961 and became operational in the spring of 1962 (Government Code section 8501 *et seq.*). Although considered to be within the executive branch of state government for budgetary purposes, state law provides that the Commission "shall not be subject to the control or direction of any officer or employee of the executive branch except in connection with the appropriation of funds approved by the Legislature" (Government Code section 8502).

The Commission's enabling act provides that no more than seven of its thirteen members may be from the same political party. The Governor appoints five citizen members, and the legislature appoints four citizen members. The balance of the membership is comprised of two Senators and two Assemblymembers. This unique formulation enables LHC to be California's only truly independent watchdog agency. However, in spite of its statutory independence, the Commission remains a purely advisory entity only empowered to make recommendations.

The Commission's purposes are to promote economy, efficiency, and improved service in the transaction of public business in the various departments, agencies, and instrumentalities of the executive branch of the state government; and to make the operation of state departments, agencies, and instrumentalities and all expenditures of public funds more directly responsive to the wishes of the people.

The Commission seeks to achieve these ends by conducting studies and making recommendations as to the adoption of methods and procedures to reduce government expenditures, the elimination of functional and service duplication, the abolition of unnecessary services and functions, the definition or redefinition of public officials' duties and responsibilities, and the reorganization or restructuring of state entities and programs. The Commission holds hearings about once a month on topics that come to its attention from citizens, legislators, and other sources.

In 1993, LHC was renamed in honor of former Senator Milton Marks, who authored the legislation originally creating the Commission.

At this writing, LHC's commissioners are Chair Richard R. Terzian, Vice-Chair Michael E. Alpert, Assemblymember Bill Campbell, Carl D. Covitz, Daniel W. Hancock, Assemblymember Sally Havice, Gary H. Hunt, Gwen Moore, Angie

Papadakis, Senator Charles S. Poochigian, Senator John Vasconcellos, Sean Walsh, and Stanley R. Zax.

MAJOR PROJECTS

Commission Criticizes State's Performance in Caring for its Foster Children

Now In Our Hands: Caring for California's Abused and Neglected Children (August 1999) is a critical analysis of the state's record in caring for the 105,000 children currently in foster care. In its report, LHC declared that an increasing percentage of the state's youth "is flooding a child welfare system that has proven incapable of healing the complex problems of traumatized children." LHC's report bluntly states that "California is failing to protect and care for abused children," and that as a consequence, an increasing number of children are growing up "broken"—hurt by their parents and let down by the system intended to be their refuge.

LHC's report bluntly states that "California is failing to protect and care for abused children," and that as a consequence, an increasing number of children are growing up "broken"—hurt by their parents and let down by the system intended to be their refuge.

According to the report, nearly 100 California children are placed into foster care every day. Over the last fifteen years, the proportion of children in foster care has more than doubled, and the absolute number of children in foster care has tripled. The report estimates that, if the trend continues, more than 167,000 California children will be in foster care by 2005.

Although the original focus of the report was the foster care system itself, the Commission realized early in its study that the foster care crisis should not be separated from the underlying problem of child abuse and neglect. Accordingly, the Commission's findings and recommendations support a holistic and child-centered approach to improving the state's ability to reduce the incidence of child abuse, protect and care for those children who are abused, and provide for abused children a nurturing and permanent home—either with their natural family or a new one. The Commission's findings and corresponding recommendations include the following:

The Commission recommends that the state create in the Health and Human Services Agency an Office of Child Services, headed by an Undersecretary of Child Services, responsible for preventing child abuse and caring for abused children.

• The state has not met its obligation to protect and care for abused children. Accordingly, the Commission recommends that the Governor and legislature make child safety, well-being, and permanence a high priority, and adopt clear goals directing public agencies and service providers to prevent abuse, ensure that foster care homes are nurturing refuges, reunify families or find permanent alternatives, and support those children as they continue to heal and mature.

• State programs are not organized, managed, or funded to comprehensively meet the state's obligation to abused children. The Commission recommends that the state create in the Health and Human Services Agency an Office of Child Services, headed by an Undersecretary of Child Services, responsible for preventing child abuse and caring for abused children. Further, the state should direct the Undersecretary to improve partnerships among state, federal and local agencies responsible for preventing child abuse; increase the performance accountability of state programs; create an accurate child abuse database; adopt comprehensive performance measures for all programs serving children vulnerable to abuse; identify practices that produce the best outcomes for children; reengineer the funding process for programs serving children vulnerable to abuse; and assist counties and other providers in their recruitment, training, and retention of a cadre of professionals who are qualified to run these programs.

• The state does not systematically assess the performance of child abuse programs, reduce the barriers to quality services, or replicate successful strategies. Accordingly, the state should direct the Undersecretary to regularly report on the performance of child abuse programs, including outcome-based measurement; make recommendations for improvement; and identify and report to the Governor and legislature on opportunities for the state to improve support for local initiatives that successfully serve abused children and their families.

• The state has not fully recognized the impact of child abuse on broader public goals such as reducing crime, improving adult self-sufficiency, and increasing the productivity and well-being of the state's residents. The Commission recommends that the state integrate the consequences of child-based programs into policy decisions promoting the broader public interest. Specifically, policymakers should consider the long-term impacts of child abuse programs and recommend changes that would reduce long-term public costs; assess the impacts of child abuse on adult maladies; and invest in children's programs to reduce long-term costs.

• Child abuse prevention and early intervention efforts fall short of their potential to protect children from harm and spare families the trauma of losing children to foster care. Accordingly, the report recommends that the state expand cost-effective child abuse prevention and early intervention efforts; require consistent performance evaluations of child abuse prevention pilot programs; leverage local resources, such as Proposition 10 funding; and replicate proven models and innovative programs.

• The state lacks an accurate and dynamic assessment tool to measure the risk to vulnerable children and determine

the best approach to promote their well-being. According to the Commission, perhaps the most critical link in government's response to child abuse is how it assesses a family in crisis. Decisions to remove children from their homes are impacted by a wide range of varying factors, including community values, cost, availability of foster care, and adverse publicity. At the same time, it appears that children are removed from their homes only after county authorities have received multiple reports of abuse (suggesting that children are subject to repeated abuse), and most families receive little assistance before conditions become so severe that children are removed. LHC stated that "the decision to keep children in the care of their parents or remove them should be determined by what is in the best interest of the child. Which county the child lives in should not affect the decision. Nor should children be subject to repeated abuse because of inadequate assessment." LHC recommended that the Department of Social Services (DSS), in partnership with federal and local government agencies, should develop accurate and dynamic assessment tools for statewide use. Specifically, DSS should develop accurate safety assessment tools to measure the risk in maintaining children with their families or returning them to their families; develop accurate assessment tools to determine the care and services children need to be swiftly, safely, and successfully reunified with their parents or placed in an alternative permanent home; and provide training and technical assistance to ensure the full and expedited implementation of these tools by counties.

"The decision to keep children in the care of their parents or remove them should be determined by what is in the best interest of the child. Which county the child lives in should not affect the decision. Nor should children be subject to repeated abuse because of inadequate assessment."

The Commission found that the system that is supposed to provide foster children with services such as health care, mental health counseling, and educational assistance is "so fragmented, anemic, and disorganized that it regularly fails to meet the needs of these children."

• Welfare reform could further stress families, making more children vulnerable to abuse and neglect. Accordingly, the Commission recommends that policymakers monitor the state's implementation of welfare reform and mitigate any harmful impacts on children. Specifically, the state should monitor the impact of welfare reform on child abuse, and strengthen vulnerable families by targeting resources and services at welfare families at risk of losing children to foster care.

• Children are staying in temporary placements too long, aggravating the trauma of separation and limiting opportunities for permanent placement in nurturing families. The Commission found that 25% of California children in foster care spend more than four years in care. Accordingly, the report recommends that the Undersecretary of Child Services lead a partnership of social service and judicial agencies to reduce the time children are in temporary placement. To support that effort, the state should assess county compliance with statutory time requirements for terminating parental rights and conducting permanent placement planning; target assistance to counties to ensure that adequate resources are available to meet "reasonable effort" requirements within prescribed timeframes; and require the development of effective case management tools to coordinate the interjurisdictional services needed to help abused children, and reunify families or achieve alternative permanent placement.

• Alcohol and drug abuse is epidemic among abusive parents—estimated to be a significant factor in up to 80% of foster care cases—and shortages in treatment often delay successful permanent placement of children. Accordingly, the Commission recommends that the Undersecretary of Child Services ensure that alcohol and drug treatment programs are adequately funded and integrated into foster care programs. Specifically, the Under-secretary should make foster care families a priority for treatment; track delivery of drug treatment services, and ensure that courts are informed as to whether parents of children under their jurisdiction are receiving drug treatment; fund case management services, thus enabling social workers to ensure that parents are receiving drug treatment; expand public-private partnerships to support substance abuse treatment and sustained sobriety before and after family reunification; and annually assess the impacts of substance abuse on foster care and efforts to integrate substance abuse treatment into foster care programs, and report on progress.

• Foster care placements of children with relatives tend to be of longer duration than traditional foster family care and disproportionately contribute to foster care caseload growth. The report recommends that the Governor and legislature enact legislation to support relative placements as long-term placements. Further, the Undersecretary of Child Services should assess the use of relative foster care to develop a better understanding of how well those arrangements are meeting the needs of abused children and to determine the ability of relatives to satisfy the growing need for foster care; recognize the quasi-permanent nature of many kin foster families and provide for their unique service needs; and revise the support formula for relative foster families.

• While children in foster care are eligible for services, they often do not receive the help necessary to treat their trauma or meet their developmental needs. The Commission found that the system that is supposed to provide foster children with services such as health care, mental health counseling, and educational assistance is "so fragmented, anemic, and disorganized that it regularly fails to meet the needs of these children." The Commission recommends that the state

direct the Undersecretary of Child Services to monitor, assess, and—where necessary—revise programs to ensure that dependent children receive needed services. Further, the state should expand mental health services; establish a plan for service delivery; evaluate the delivery of services; and develop corrective action plans to correct deficiencies in the service delivery system.

• The adoption process is unnecessarily tedious and cumbersome, frustrating the goal of increasing the number of successful foster care adoptions, particularly for older children. DSS estimates that only 6,000 of the 105,000 children in foster care will be adopted each year. To increase the number of adoptions, LHC recommends that the state expedite adoptions of children in foster care, and enact legislation requiring an analysis of reunification failures and expedition of the termination of parental rights in such cases (which will free children for adoption or other permanent placement at an earlier point), expanding adoption outreach efforts, and improving post-adoption support for children.

• Programs to support reunified families or successful permanent placements are insufficient; too frequently, permanent placements fail because support services are terminated when children leave foster care. According to DSS, between 6,000 and 8,000 children return to foster care every year; almost 25% of the foster care population will return within three years. The report recommends that the Undersecretary develop a strategy for improving the success rate of permanent placements, including the development of service standards and recommendations for supporting reunified and adoptive families.

• The state puts its investment and foster youth at risk by failing to help children "aging out" of the child welfare system to successfully transition to self-sufficiency. Although little is known about what happens to foster youth after they leave foster care at age 18 or 19, the consensus is that many of these youth are ill-prepared to take care of themselves. Many fall prey to victimization and abuse or end up in the criminal justice system. Accordingly, the Commission recommends that the state enact legislation to assist youth in the transition from foster care to independent living. Specific components of the legislation should expand transitional services; extend the age cap through age 21 as long as the youth are enrolled in high school, GED, or vocational/technical programs full-time and making diligent efforts toward completion; earmark scholarship funding for foster youth interested in pursuing higher education through scholarships or tuition forgiveness; and monitor emancipating youth and intensify mentoring and other assistance to those struggling with their independence. Based on that monitoring, the state should assess the effectiveness of foster care programs and transitional services.

Commission Research on Mental Health Programs in Progress

According to the Commission, research suggests that between 1%–5% of the U.S. population experiences a mental illness at some point in their lives; up to 40% of people with mental illness do not seek or receive treatment. With the advent of public health programs, the public sector has had a significant role in providing services to people with mental illnesses. As with other social services, mental health programs are driven by a variety of federal, state, and county funding and policy decisions. County governments are the primary providers of public mental health services in California. The state has an oversight role and administers hospitals that provide treatment to those with the most severe needs.

The Commission is currently studying the following issues regarding mental health programs and services:

• *Criminal Justice and Mental Illness.* Large numbers of people moving through California's criminal justice system suffer from mental illness. For many, their crimes are thought to be a consequence of their illness and inadequate treatment.

• *Homelessness and Mental Illness.* Research suggests that up to one-third of all homeless adults suffer from a mental disorder. The homeless mentally ill are thought to be homeless more frequently and for longer periods than homeless individuals who do not suffer from mental illness.

• *Availability and Quality of Treatment.* Thirty years ago, the Lanterman-Petris-Short Act changed the way California responded to individuals with mental health needs. Today, questions remain over whether Californians are receiving the services and treatment necessary to function in society.

The Commission held public hearings to gather information on these subjects on September 23 and October 28; at this writing, a third hearing is scheduled for January 27, 2000. LHC's report is expected to be completed in the second half of 2000.