

Policy Memo: West Coast Pact

Interstate Compact on the Placement of Children in Residential Programs

California leads the country in child protection laws and oversight of residential facilities, yet there are critical loopholes that children fall through when sent out of state, out of the country, and beyond the jurisdiction of California's child welfare systems. Despite the state's robust interest in overseeing and regulating residential treatment programs through measures like the Community Care Facilities Act and multiple administrative codes enhancing youth protection and advocacy standards, challenges remain. Recent policy changes have reduced the number of children placed out of state by social services and juvenile justice, effectively protecting many youth and saving taxpayer money. However, these measures have not sufficiently addressed placements made by the Department of Education and parent choice, often influenced by misleading advertising and the fraudulent practices of the Troubled Teen Industry (TTI).

The "West Coast Pact" proposes to close these loopholes by establishing a comprehensive approval process for all ICPC out-of-state placements in residential programs. This initiative includes the creation of a dedicated office within the Department of Social Services, known as the "Interstate Compact on the Placement of Children in Residential Programs Office" (ICPCRP Office). The ICPCRP Office will provide services to children and families, ensure all placements are rigorously evaluated, and assist the agencies with jurisdiction to maintain the welfare of children in residential programs.

Standardized Care and Oversight

This compact begins with an agreement of standardized care and oversight between the states of California, Oregon, and Washington. These states have historically passed the most extensive laws to protect children and address the TTI, to the extent that the TTI refuses to operate within these states due to their stringent licensing standards.

Oregon: Recently, Oregon has enacted laws to enhance oversight of residential programs, regulate the use of restraint and seclusion, and manage out-of-state placements. The state has also addressed the transport industry, known for traumatizing children during forced relocations across state lines or out of the country.

Washington: For decades, Washington has led the way in oversight and protection of youth in foster care residentials. The state has established jurisdiction for state child protection agencies to intervene in youth safety, closing unlicensed programs. Washington has taken a firm stance on IEP/Department of Education placements out of state. With Senator Patty Murray's leadership in initiating investigations and congressional reports on TTI funding and issues, Washington demonstrates a strong commitment to protecting children and preventing TTI operations within the state.

By developing this compact among the three states, we aim to strengthen and standardize the most effective laws addressing residential oversight, abuse prevention, and placements into the TTI.



Key Objectives

Approval and Regulation: The ICPCRP Office will reclaim the responsibility of the sending state's ICPC office to approve out-of-state placements. This ensures all placements are rigorously evaluated and regulated to maintain high standards of care.

Support and Services: The ICPCRP Office will assist families in crisis by helping them find evidence-based services within their community or other state-provided services. This service guarantees that placements of California youth are traceable, regulated, and secure.

TTI/Institutional Abuse Training: Allocating funds for sensitivity training for all agencies involved in the oversight of residential programs to address the unique challenges of the troubled teen industry and institutional abuse.

Implementation Measures

Mandatory Reporting Database: Establish a comprehensive database for mandatory reporting of incidents, complaints, investigations, and actions against programs both within the state and out-of-state where children have been placed. This database would be accessible and collaborative between all states signed on to the pact.

Child Abuse Reporting Hotline: Operate a state-run hotline to monitor incidents within California facilities. Hotline numbers must be prominently posted in common areas, with 24-hour access to a telephone for reporting.

Program Eligibility: The database will include a vetted list of programs, ensuring that only supported programs are eligible for placements. Unsupported programs will be eliminated from the list.



Regulatory Framework

Prohibition of Institutional Child Abuse: Define and prohibit institutional child abuse, establish best practices, and mandate consistent licensing definitions and standards across participating states.

Interstate Cooperation: Both sending and receiving states must sign the pact, ensuring their laws and regulations comply with the pact. States not signed on to the pact cannot be approved as receiving states.

Domestic Focus: Prohibit placements outside the country due to jurisdictional limitations in enforcing the pact's protections.

Proposed Financial Impact Study

A comprehensive study will be proposed to evaluate the financial impact of out-ofstate placements into residential treatment programs. This study aims to:

Estimate Savings: Determine the amount of taxpayer money that can be saved and reallocated to the state, school districts, and community development by reducing out-of-state placements.

Private and State Funding: Calculate how much private money and state-funded insurance is being used for out-of-state placements.

ICPC Funds Tracking: Track the flow of money sent from the sending state to the receiving state through ICPC and identify potential deficiencies in oversight funded by these transfers.

The findings from this study will provide a clear picture of the financial benefits of the West Coast Pact, highlighting the potential to save millions of dollars that can be reinvested into local communities and support services for youth and families.



Financial Impact

By restricting state and district funds spent on out-of-state placements and reallocating these funds within California, the state can achieve significant taxpayer savings. Estimated savings include millions of dollars that can be redirected to local schools and social services, with potential economic benefits amounting to an estimated \$300 million per year.

Conclusion

The West Coast Pact represents a bold step toward ensuring the safety, well-being, and proper oversight of children placed in residential programs. By establishing stringent approval processes, creating robust support services, and reallocating financial resources, this initiative will enhance community-based services for youth and families, promoting a more secure and supportive environment for vulnerable children. The proposed financial impact study will further underscore the economic benefits of this initiative, reinforcing the importance of keeping taxpayer money within the state to support local development and services.

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