



SB 1329 (Leno)

RCFE Residents Foreclosure Protection Act

THE PROBLEM

Residential Care Facilities for the Elderly (RCFEs) have not been immune from the massive number of housing foreclosures in California. There are currently approximately 8,000 RCFEs in California and the vast majority are housed in single-family dwelling units, operated by a lone individual or family with a mortgage on the property. Reports of RCFE properties in foreclosure or bankruptcy have surged.

Under current law, RCFEs are not required to provide notice to residents or to Community Care Licensing (CCL) when their homes are in foreclosure or suffering from severe financial distress. In some foreclosure cases, residents had no idea they were losing their home until sheriffs arrived and forcibly removed them. Without notice, RCFE residents are effectively deprived of their legal recourse and are rendered much more vulnerable to transfer trauma and placements in homes that are not able to safely meet their needs.

SUMMARY OF SB 1329

SB 1329 will require RCFE operators give notice to all residents and their legal representatives of any foreclosure proceedings when they are initiated. This would allow residents to assert whatever rights they have to contest the foreclosure and to prepare for a possible transfer to a new facility.

SB 1329 will also require RCFE operators give notice to CCL of specified events indicating financial distress that would threaten the housing security of the residents such as foreclosure proceedings, a missed mortgage payment, or threatened utility shut-off. Such notice would enable CCL to assist the operator and ensure the residents are protected.

Finally, SB 1329 applies procedures to protect residents from transfer trauma when their home is being closed to any successor-in-interest of a foreclosed RCFE. This application ensures that all of the careful resident protections to minimize transfer trauma will be followed regardless of the reason for the RCFE's closure.

SB 1329 ensures vulnerable RCFE residents and their loved ones are notified when their home is being threatened. With such notification, they will be able to carefully plan for a possible move and avoid dangerous last-minute evictions.

SB 1329 is sponsored by California Advocates for Nursing Home Reform.

Support SB 1329 to protect RCFE residents from last-minute evictions!

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HOW YOU CAN HELP

SB 1329 will be heard in the Senate Human Services committee on March 23rd. Please write a letter of support to the committee chair, Senator Carol Liu at:

Senator Carol Liu, Chair
Senate Human Services Committee
State Capitol, Room 5061
Sacramento, CA 95814
Fax: (916) 324-7543

Also, please send copies to CANHR at:

California Advocates for Nursing Home Reform (CANHR)
650 Harrison St., 2nd Floor
San Francisco, CA 94107
Fax: (415) 974-5171

Thank you for helping us fight to protect RCFE residents from the abrupt loss of their homes due to foreclosures. ***SB 1329 is sponsored by CANHR.***

SAMPLE LETTER:

Dear Senator Leno:

Thank you for introducing SB 1329, the RCFE Residents Foreclosure Protection Act of 2010. I am writing in support of this important bill.

RCFEs have not been immune from the recent surge in housing foreclosures. Operators of RCFEs are currently not required to inform the residents or Community Care Licensing when their home is in foreclosure or suffering from severe financial distress. As a result, residents often have no idea that they are losing their home, forcing them to scramble for a last minute placement.

The lack of notification of foreclosure is particularly dangerous for RCFE residents, who need assistance with their activities of daily living and often do not have the ability to independently secure new placements. Unfortunately, many residents in foreclosed RCFEs experience grave transfer trauma.

Please help protect RCFE residents by voting “yes” on SB 1329.

Want More Information?

- Use **www.leginfo.ca.gov** to find contact information for your Senator and Assembly Member and to keep track of SB 1329’s progress
- Visit CANHR’s website (**www.canhr.org**) for updates on all of CANHR’s legislation and to find out how to be a CANHR Legislative Advocate.