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Code:  Section:

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## HEALTH AND SAFETY CODE - HSC

**DIVISION 2. LICENSING PROVISIONS [1200 - 1796.70]** ( *Division 2 enacted by Stats. 1939, Ch. 60.* )

**CHAPTER 3. California Community Care Facilities Act [1500 - 1567.94]** ( *Chapter 3 repealed and added by Stats. 1973, Ch. 1203.* )

**ARTICLE 2.5. Foster Home and Small Family Home Insurance Fund [1527 - 1527.8]** ( *Article 2.5 added by Stats. 1986, Ch. 1330, Sec. 3.* )

**1527.** As used in this article:

- (a) "Aircraft" includes, but is not limited to, any airplane, glider, or hot air balloon.
- (b) "Bodily injury" means any bodily injury, sickness, or disease sustained by any person including death at any time resulting therefrom.
- (c) "Foster child" means a person under 19 years of age who has been placed in the care and supervision of licensed foster parents or, on and after January 1, 2019, a resource family, as defined in Section 16519.5 of the Welfare and Institutions Code.
- (d) (1) "Foster parent" means the person, and including their spouse if the spouse is a resident of the same household, providing care, custody, and control of a foster child in a licensed foster family home or licensed small family home, as defined in Section 1502, or, on and after January 1, 2019, a resource family, as defined in Section 16519.5 of the Welfare and Institutions Code.  
  
(2) On or after January 1, 2020, "foster parent" shall also mean the person, and including their spouse if the spouse is a resident of the same household, providing care, custody, and control of a foster child placed in a tribally approved home by a county child welfare agency, county probation agency, or an Indian tribe that has entered into an agreement pursuant to Section 10553.1 of the Welfare and Institutions Code.
- (e) "Occurrence" means an accident, including continuous or repeated exposure to conditions, which results in bodily injury or personal injury neither expected nor intended by the foster parent. Multiple incidents of a general course of conduct shall be considered one occurrence, regardless of the period of time during which the acts transpired.
- (f) "Motor vehicle" means an automobile, motorcycle, moped, midget automobile, including the type commonly referred to as a kart, go-kart, speedmobile, or by a comparable name whether commercially built or otherwise, trailer or semitrailer designed for travel on public roads, including any machinery or apparatus attached thereto, or snowmobile.
- (g) "Personal injury" means any injury to the feelings or reputation of any person or organization arising out of libel, slander, defamation, or disparagement, wrongful eviction, or entry.
- (h) "Property damage" means any physical injury to, or destruction of, tangible property, including the loss of use thereof at any time resulting therefrom.
- (i) "Watercraft" includes, but is not limited to, any boat, ship, raft, or canoe, whether motorized or not.

(Amended by Stats. 2019, Ch. 777, Sec. 7. (AB 819) Effective January 1, 2020.)

**1527.1.** There is hereby established the Foster Family Home and Small Family Home Insurance Fund within the State Department of Social Services. The fund shall consist of all moneys appropriated by the Legislature. The department may contract with another state agency to set up and operate the fund and perform other administrative functions that may be necessary to carry out the intentions of this article. The purpose of the fund is to pay, on behalf of foster family homes and small family homes, as defined in Section 1502, on or after January 1, 2019, resource families, as defined in Section 16519.5 of the Welfare and Institutions Code, and, on or after January 1, 2020, tribally approved homes, claims of foster children, their parents, guardians, or guardians ad litem resulting from occurrences peculiar to the foster care relationship and the provision of foster care services. The fund may sue and be sued.

(Amended by Stats. 2019, Ch. 777, Sec. 8. (AB 819) Effective January 1, 2020.)

**1527.2.** The fund, subject to this article, shall pay, on behalf of foster family homes, small family homes, on and after January 1, 2019, resource families, and, on or after January 1, 2020, tribally approved homes, any claims of foster children, their parents, guardians, or guardians ad litem for damages arising from, and peculiar to, the foster care relationship and the provision of foster care services, or shall reimburse foster family homes, small family homes, and resource families for those damages.

*(Amended by Stats. 2019, Ch. 777, Sec. 9. (AB 819) Effective January 1, 2020.)*

**1527.3.** The fund shall not be liable for any of the following:

- (a) Any loss arising out of a dishonest, fraudulent, criminal, or intentional act of a foster parent.
- (b) Any occurrence that does not arise from the foster-care relationship.
- (c) Any bodily injury arising out of the operation or use of any motor vehicle, aircraft, or watercraft owned or operated by, or rented or loaned to, any foster parent.
- (d) Any loss arising out of licentious, immoral, or sexual behavior on the part of a foster parent intended to lead to, or culminating in, any sexual act.
- (e) Any allegation of alienation of affection against a foster parent.
- (f) Any loss or damage arising out of occurrences prior to October 1, 1986.
- (g) Exemplary damages.
- (h) Any liability of a foster parent that is uninsured due solely to the foster parent's failure to obtain insurance specified in Section 676.7 of the Insurance Code. Nothing in this subdivision shall be construed to expand the liability of the fund with respect to insured foster parents.

*(Amended by Stats. 2013, Ch. 494, Sec. 2. (SB 522) Effective January 1, 2014.)*

**1527.35.** The fund shall not be liable for any loss arising out of the dishonest, fraudulent, criminal, or intentional act of any person if the date of the loss is prior to July 1, 2013.

*(Added by Stats. 2013, Ch. 494, Sec. 3. (SB 522) Effective January 1, 2014.)*

**1527.4.** Notwithstanding any other provision of this article, the fund shall not be liable for damages in excess of three hundred thousand dollars (\$300,000) for any single foster family home, small family home, on and after January 1, 2019, resource family, or, on or after January 1, 2020, tribally approved homes, for all claims arising due to one or more occurrences during any consecutive 12-month period. The fund shall be liable only once for damages arising from one occurrence.

*(Amended by Stats. 2019, Ch. 777, Sec. 10. (AB 819) Effective January 1, 2020.)*

**1527.5.** The fund shall be liable, if a claim is approved, to pay on behalf of each licensed foster family home, small family home, on or after January 1, 2019, resource family, or, on or after January 1, 2020, tribally approved home, all sums which the foster family home, small family home, resource family, or tribally approved home is obligated to pay as a result of a valid claim of bodily injury or personal injury arising out of the activities of a foster parent or foster parents, which occurs while the foster child resides in the foster family home, small family home, resource family, or tribally approved home. Claims specified in this section of a foster child or a parent, guardian, or guardian ad litem of a foster child shall be the sole responsibility of the fund.

*(Amended by Stats. 2019, Ch. 777, Sec. 11. (AB 819) Effective January 1, 2020.)*

**1527.6.** (a) A claim against the fund shall be filed with the fund in accordance with claims procedures and on forms prescribed by the State Department of Social Services or its designated contract agency.

(b) A claim against the fund filed by a foster parent or a third party shall be submitted to the fund within the applicable period of limitations for the appropriate civil action underlying the claim, subject to subdivision (a) of Section 352 of the Code of Civil Procedure as that section applies to a minor. If a claim is not submitted to the fund within the applicable time, there shall be no recourse against the fund.

(c) (1) The department shall approve or reject a claim within 180 days after it is presented.

(2) The department or an agency designated pursuant to Section 1527.1 shall notify a claimant of the decision to approve or reject a claim within 15 days of the decision.

(d) (1) A person shall not bring a civil action against a foster parent for which the fund is liable unless that person has first filed a claim against the fund and the claim has been rejected, or the claim has been filed, approved, and paid, and damages in excess of the payment are claimed.

(2) An applicable statute of limitations for a cause of action that arises out of the same occurrence for which a claim has been filed with the fund shall be tolled from the date the claim against the fund has been filed until the date the department, or an agency designated pursuant to Section 1527.1, has notified the person that the department has either rejected or approved the claim.

*(Amended by Stats. 2012, Ch. 642, Sec. 1. (AB 2019) Effective January 1, 2013.)*

**1527.7.** All processing of decisions and reports, payment of claims, and other administrative actions relating to the fund shall be conducted by the State Department of Social Services or its designated contract agency.

*(Added by Stats. 1986, Ch. 1330, Sec. 3. Effective September 29, 1986.)*

**1527.8.** The fund established pursuant to Section 1527.1 shall be maintained at an adequate level to meet anticipated liabilities.

*(Amended by Stats. 2012, Ch. 642, Sec. 2. (AB 2019) Effective January 1, 2013.)*