

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 731
Human Resources Committee Substitute Adopted 5/14/91

Short Title: Long-Term Care/Dom. Home Managers.

(Public)

Sponsors:

Referred to:

April 22, 1991

A BILL TO BE ENTITLED
AN ACT FOR THE APPOINTMENT OF TEMPORARY MANAGERS FOR LONG-TERM CARE FACILITIES AND DOMICILIARY HOMES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 131E of the General Statutes is amended by adding a new Article to read:

“ARTICLE 13.

"TEMPORARY MANAGEMENT OF LONG-TERM CARE FACILITIES.

"§ 131E-230. Legislative findings.

The General Assembly finds that:

- (1) A substantial number of citizens of this State now reside, or in the future may reside, in long-term care facilities within this State;
- (2) Improper operation of long-term care facilities may tend to create a substantial risk of serious physical injury to residents;
- (3) The closure of a long-term care facility can have adverse effects on the residents thereof, especially if the closure and transfer of residents is done hastily;
- (4) The general health and welfare of the people of this State, particularly those persons residing in long-term care facilities within this State, would be enhanced by development of a procedure for the court appointment of a temporary manager to assure the proper operation of a long-term care facility in certain instances until a manager chosen by

- 1 the facility is prepared to properly operate the facility, or until the
2 residents can be safely transferred to a proper alternative setting; and
3 (5) The long-term operation of a long-term care facility by a temporary
4 manager would not be desirable.

5 **"§ 131E-231. Definitions.**

6 As used in this Article, unless otherwise specified:

- 7 (1) 'Department' means the Department of Human Resources.
8 (2) 'Long-term care facility' means a nursing home as defined in G.S.
9 131E-101(6), a domiciliary home as defined in G.S. 131D-2(a)(3), and
10 a domiciliary home as defined in G.S. 131E-101(4).
11 (3) 'Resident' means a person who has been admitted to a long-term care
12 facility.
13 (4) 'Respondent' means the person or entity holding a license pursuant to
14 G.S. 131E-102 or G.S. 131D-2 or a person or entity operating a long-
15 term care facility subject to licensure without a license.

16 **"§ 131E-232. Who may petition; contents of petition.**

17 The Department may petition a court of competent jurisdiction to appoint a
18 temporary manager to operate a long-term care facility. The petition shall set forth
19 material facts showing that one or more of the grounds for appointment of a temporary
20 manager set forth in G.S. 131E-234 exist, that the facts set forth in the petition have
21 been brought to the attention of the respondent, and that the conditions described in the
22 petition have not been remedied within a reasonable period of time. The petition shall
23 also set forth a brief description of the action or actions necessary to remedy the alleged
24 conditions.

25 **"§ 131E-233. Procedures for appointment; evidence in defense.**

26 (a) The procedure for petitioning the superior court for the appointment of a
27 temporary manager, including service of process shall be in accordance with the North
28 Carolina Rules of Civil Procedure. If personal service of a copy of the petition cannot be
29 made with due diligence upon the respondent, service may be made upon the respondent
30 by sending a copy of the summons and petition to the respondent by registered mail at
31 his last known address and by hand-delivering or mailing a copy to the administrative or
32 staff person in charge of the facility.

33 (b) A hearing shall be held on the petition within 20 days of service of the
34 petition upon the respondent. Both the Department and the respondent may present
35 evidence and written and oral argument at the hearing regarding the allegations of the
36 petition. It shall be relevant evidence in defense to a petition that the conditions alleged
37 in the petition do not in fact exist, that such conditions do not exist to the extent alleged,
38 or that such conditions have been remedied or removed.

39 **"§ 131E-234. Grounds for appointment of temporary manager.**

40 Upon a showing by the Department that one or more of the following grounds exist,
41 the court may appoint a temporary manager for an initial period of 30 days or the first
42 review by a superior court judge pursuant to G.S. 131E-243, whichever is longer:

- 43 (1) Conditions or a pattern of conditions exist in the long-term care facility
44 that create a substantial risk of death or serious physical harm to

1 residents or that death or serious physical harm has occurred, and it is
2 probable that the facility will not or cannot immediately remedy those
3 conditions or pattern of conditions;

4 (2) The long-term care facility is operating without a license;

5 (3) The license of the long-term care facility has been revoked or the long-
6 term care facility is closing or intends to close and: (i) adequate
7 arrangements for relocating residents have not been made, or (ii) quick
8 relocation would not be in the best interest of the residents; and

9 (4) A previous court order has been issued requiring the respondent to act
10 or refrain from acting in a manner directly affecting the care of the
11 residents and the respondent has failed to comply with the court order.

12 **"§ 131E-235. Alternative to appointment of temporary manager.**

13 (a) After the hearing described in G.S. 131E-233(b), if the court finds that the
14 evidence warrants the granting of the relief sought and the respondent applies to the
15 court for permission to promptly remove or remedy the conditions or pattern specified
16 in the petition and demonstrates the ability to promptly undertake and complete the
17 removal or remedying of such conditions or pattern, the court, in lieu of appointing a
18 temporary manager, may issue an order permitting the respondent to remove or remedy
19 the conditions in accordance with a time schedule and subject to conditions determined
20 by the court, including the posting of security for the performance of the work as may
21 be fixed by the court.

22 (b) If, after entry of an order pursuant to subsection (a) of this section, it appears
23 that the respondent is not proceeding in accordance with the court's order in removing
24 or remedying the conditions found by the court to exist, the Department, upon notice to
25 the respondent, may move the court for an order appointing a temporary manager
26 pursuant to the court's findings at the original hearing. If upon hearing the matter, the
27 court finds that the respondent is not proceeding in accordance with the court's order,
28 the court may appoint a temporary manager as authorized by G.S. 131E-234. If the
29 respondent has posted security to ensure removal or remedying of the conditions found
30 by the court, the security or any part of the security as is necessary may be used by the
31 temporary manager to remedy the conditions.

32 **"§ 131E-236. Compensation of temporary manager.**

33 The court shall set the compensation of the temporary manager.

34 **"§ 131E-237. Candidates for temporary managers.**

35 In the petition the Department shall nominate at least one candidate for temporary
36 manager and shall include the name, address, and qualifications of each nominee. The
37 Department shall maintain a list of persons qualified to act as temporary managers. The
38 person or persons nominated by the Department to serve as temporary manager shall
39 either be employed by the Department or be one of the persons on the list of qualified
40 persons maintained by the Department.

41 **"§ 131E-238. Temporary manager; powers and duties.**

42 A temporary manager appointed under this section:

43 (1) May exercise those powers and shall perform those duties ordered by
44 the court;

- 1 (2) Shall operate the long-term care facility in compliance with State and
2 federal laws and assure the safety of the residents and the delivery of
3 services to them;
- 4 (3) May operate the facility under a temporary license issued by the
5 Department in the event that the license of the original operator has
6 been revoked or suspended or was never issued;
- 7 (4) Shall have the same rights as the respondent to possession of the
8 building in which the long-term care facility is located and of all goods
9 and fixtures located in the building at the time the temporary manager
10 is appointed. If the court finds that between the time the petition is
11 filed and the temporary manager is appointed, the respondent has
12 transferred assets for the purpose of frustrating the intent of this
13 section, the court may require the respondent to repay to the temporary
14 manager the value of such transferred assets. The temporary manager
15 shall take all actions necessary to protect and conserve the assets and
16 property of which the temporary manager takes possession, and the
17 proceeds of any transfer, and may use them only in the performance of
18 the powers and duties set forth in this section and as may be ordered
19 by the court;
- 20 (5) May use the building, fixtures, furnishings, and any accompanying
21 consumable goods in providing care and services to residents and to
22 any other persons receiving services from the long-term care facility at
23 the time the petition for temporary management was filed. The
24 temporary manager shall collect payment for all goods and services
25 provided to residents or others at the same rate and method of payment
26 as was charged by the respondent at the time the petition for temporary
27 management was filed, unless a different rate is set by the State or
28 other third-party payors. The temporary manager shall owe a duty to
29 the owner of the long-term care facility to protect and preserve, and to
30 avoid the waste or diminution of, the building, fixtures, furnishings,
31 consumable goods, receipts, and other assets of the facility and to
32 prevent the use of those assets for any purpose other than the
33 reasonable operation of the facility;
- 34 (6) May correct or eliminate any deficiency in the structure or furnishings
35 of the long-term care facility that endangers the safety or health of
36 residents, provided the total cost of correction of all such deficiencies
37 does not exceed one thousand dollars (\$1,000);
- 38 (7) Shall submit to the court a plan in accordance with G.S. 131E-239 for
39 correction or elimination of any deficiency or deficiencies in the
40 structure or furnishings of the long-term care facility that endanger the
41 safety or health of residents and that are estimated to exceed one
42 thousand dollars (\$1,000), and shall carry out the plan with any
43 modification approved by the court;

- 1 (8) May enter into contracts and hire agents and employees to carry out
2 the powers and duties created under this section, provided that the
3 temporary manager must notify the court and the respondent prior to
4 entering into any substantially new contract obligating the respondent
5 to pay more than one thousand dollars (\$1,000);
- 6 (9) Except as specified in G.S. 131E-241, shall honor all leases,
7 mortgages, and secured transactions governing the building in which
8 the long-term care facility is located and all goods and fixtures in the
9 building of which the temporary manager has taken possession, but, in
10 the case of a rental agreement, only to the extent of payments that are
11 for the use of the property during the period of the temporary
12 management, or, in the case of a purchase agreement, come due during
13 the period of the temporary management;
- 14 (10) Shall have full power to direct, manage, and discharge employees of
15 the long-term care facility, consistent with applicable State and federal
16 laws governing the employment of these employees;
- 17 (11) If transfer of the residents is necessary, shall cooperate with the
18 Department or local Departments of Social Services or both in
19 carrying out the transfer of residents to an alternative placement;
- 20 (12) Shall be entitled to and shall take possession of all property or assets of
21 residents in the possession of the respondents. The temporary manager
22 shall preserve all property, assets, and records of residents of which the
23 temporary manager takes possession and shall provide for the prompt
24 transfer of the property, assets, and records to the alternative
25 placement of any transferred resident. No owner, licensee, or
26 administrator of a facility under temporary management shall be liable
27 for the waste, mismanagement, or other negligent or intentional
28 wrongful act of a temporary manager with respect to the property or
29 assets of residents; and
- 30 (13) May be held liable in his personal capacity only for his own gross
31 negligence or intentional acts.

32 **"§ 131E-239. Plan for correction of deficiencies in excess of one thousand dollars**
33 **(\$1,000).**

34 (a) If the temporary manager determines that it is necessary to correct a
35 deficiency or deficiencies in the structure or furnishings reasonably estimated by the
36 temporary manager to cost in excess of one thousand dollars (\$1,000), the temporary
37 manager shall submit to the court a written plan that contains the following:

- 38 (1) A description of the deficiency or deficiencies that require correction;
39 (2) A description of the method proposed by the temporary manager for
40 correction of the deficiency or deficiencies; and
41 (3) An estimate of the cost of the correction or corrections.

42 (b) A copy of the plan shall be served upon the Department and the respondent
43 on the same day that it is submitted to the court.

1 (c) If the petitioner or respondent makes a written request for a hearing within
2 seven days after the submission of the plan to the court, a hearing on the proposed plan
3 of correction shall be held. If a hearing is requested by a party, the hearing shall be held
4 within 14 days of the written request. The petitioner, respondent, and temporary
5 manager shall have the opportunity to present evidence at the hearing regarding the
6 proposed plan. Upon hearing the evidence, the court may approve the plan, modify the
7 plan, or, if the court determines as a result of the evidence that the alleged deficiency
8 does not require correction, it may reject the plan. If no party requests a hearing on the
9 plan in accordance with this subsection, the court may order the temporary manager to
10 proceed to implement the plan.

11 (d) In the event of an emergency situation involving the structure or furnishings
12 of the facility the correction that will cost in excess of one thousand dollars (\$1,000) to
13 correct and where failure to correct the situation immediately will likely result in serious
14 physical harm or death to residents, the temporary manager may proceed to correct the
15 situation in the most economical and efficient manner under the circumstances without
16 prior court approval of a plan. If the court later determines pursuant to G.S. 131E-
17 244(b) that the expenditure was not necessary or reasonable under the circumstances,
18 payment for the expenditure or any part determined to be unreasonable or unnecessary
19 by the court, must be paid from the contingency fund described in G.S. 131E-242. If
20 the payment was initially made by the temporary manager from the contingency fund,
21 the respondent shall have no obligation to repay those funds to the contingency fund
22 upon a finding that the expenditure was unreasonable or unnecessary. If the payment
23 was initially made by the temporary manager from operating revenues of the facility,
24 the respondent shall be entitled to repayment of those amounts from the contingency
25 fund.

26 **"§ 131E-240. Payment to temporary manager.**

27 (a) A person served with notice of an order of the court appointing a temporary
28 manager and of the temporary manager's name and address shall be liable to pay the
29 temporary manager for any goods or services provided by the temporary manager after
30 the date of the order if the person would have been liable for the goods or services
31 supplied by the respondent or an agent of the respondent. The temporary manager shall
32 give a receipt for each payment and shall keep a copy of each receipt on file. The
33 temporary manager shall deposit amounts received in a special account and shall use
34 this account for all disbursements.

35 (b) The temporary manager may bring an action to enforce the liability created
36 by subsection (a) of this section. Proof of payment to the temporary manager is as
37 effective in favor of the person making the payment as payment of the amount to the
38 person who, but for this subsection, would have been entitled to receive the sum paid.

39 (c) A resident may not be discharged, nor may any contract or rights be forfeited
40 or impaired, nor may forfeiture or liability be increased, by reason of an omission to pay
41 a respondent, licensee, or other person a sum paid to the temporary manager.

42 **"§ 131E-241. Avoidance of preexisting leases, mortgages, and contracts.**

43 (a) A temporary manager shall not be required to honor any lease, mortgage,
44 secured transaction, or other wholly or partially executory contract entered into by the

1 respondent, licensee, or administrator of the long-term care facility if the temporary
2 manager demonstrates to the court that the rental price, rate of interest, or other
3 compensation to be paid under the contract or agreement is unreasonable in light of
4 conditions existing at the time the agreement was entered into by the parties.

5 (b) If the temporary manager is in possession of real estate or goods subject to a
6 lease, mortgage, security interest, or other contract that the temporary manager is
7 permitted to avoid under subsection (a) of this section, and if the real estate or goods are
8 necessary for the continued operation of the long-term care facility, the temporary
9 manager may apply to the court to set a reasonable rental price, rate of interest, or other
10 compensation to be paid by the temporary manager during the duration of the temporary
11 management. The court shall hold a hearing on the application within 15 days after
12 receipt of the application. At least 10 days prior to the hearing, the temporary manager
13 shall send notice of the application to any known person with any beneficial interest in
14 the property involved.

15 (c) Payment by the temporary manager of the amount determined by the court to
16 be reasonable is a defense to any action against the temporary manager for payment or
17 for possession of the goods or real estate subject to the lease, mortgage, security
18 interest, or other contract involved by any person who received such notice, but the
19 payment does not relieve the obligee of liability for the difference between the amount
20 paid by the temporary manager and the amount due under the original lease, mortgage,
21 or security interest involved.

22 **"§ 131E-242. Contingency fund.**

23 (a) The Department shall establish a temporary management contingency fund
24 from the proceeds of penalties collected by the Department under the provisions of G.S.
25 131E-109 and G.S. 131E-129 for nursing facilities, and G.S. 131D-2 and G.S. 131D-34
26 for domiciliary homes.

27 (b) Upon a showing that proper expenses of the temporary management under
28 this Article exceed the operating funds of the long-term care facility, the court, in its
29 discretion, may order that the Department provide funds from the contingency fund to
30 the temporary manager to operate the facility and compensate the temporary manager.

31 **"§ 131E-243. Review and termination of temporary management.**

32 (a) The operations and continuing need for a temporary manager shall be
33 reviewed by the court every 30 days following the appointment of the temporary
34 manager.

35 (b) The court may order the replacement of a temporary manager upon a showing
36 that the temporary manager has mismanaged the long-term care facility.

37 (c) The court shall order the termination of the temporary management upon the
38 recommendation of the Department or upon a showing that the conditions leading to
39 imposition of the temporary management have been resolved.

40 (d) When a long-term care facility is returned to its owner, the court may impose
41 conditions to assure compliance with applicable laws and regulations.

42 **"§ 131E-244. Accounting lien for expenses.**

43 (a) Within 30 days after termination of the temporary management, the
44 temporary manager shall give the court a complete accounting of:

- 1 (1) All property of which the temporary manager took possession;
- 2 (2) All funds collected under this Article;
- 3 (3) Expenses of the temporary management; and
- 4 (4) All disbursements or transfers of facility funds or other assets made
5 during the period of temporary management. On the same day the
6 accounting is filed with the court, the temporary manager shall serve
7 on the respondent by registered mail a copy of this accounting.

8 (b) If the operating funds collected during the temporary management exceed the
9 reasonable expenses of the temporary management, the court shall order payment of the
10 excess to the respondent, after reimbursement to the contingency fund. If the operating
11 funds are insufficient to cover the reasonable expenses of the temporary management,
12 the respondent shall be liable for the deficiency, unless the court finds that payment of
13 such deficiency would significantly impair the ability of the respondent to continue to
14 provide appropriate care or services to residents of the long-term care facility. If the
15 respondent demonstrates to the court that immediate repayment of amounts spent from
16 the contingency fund would significantly impair the provision of appropriate care or
17 services to residents, the court may order repayment over a period of time with or
18 without interest or may order that the respondent not be required to repay all or some of
19 the amount spent from the contingency fund. In reaching this decision, the court may
20 consider all assets, revenues, debts and other obligations of the long-term care facility,
21 the likelihood of the sale of the long-term care facility where repayment forgiveness
22 would result in unjust enrichment of the respondent, and shall consider the impact of its
23 determination on the provision of care to residents. The respondent may petition the
24 court to determine the reasonableness of any expenses of the temporary management.
25 The respondent shall not be responsible for expenses in excess of amounts the court
26 finds to be reasonable. Payment recovered from the respondent shall be used to
27 reimburse the contingency fund for amounts used by the temporary manager.

28 (c) The court may order that the Department have a lien for any reasonable costs
29 of the temporary management that are not covered by the operating funds collected by
30 the temporary manager and for any funds paid out of the contingency fund during the
31 temporary management upon any beneficial interest, direct or indirect, of any
32 respondent in the following property:

- 33 (1) The building in which the long-term care facility is located;
- 34 (2) The land on which the long-term care facility is located;
- 35 (3) Any fixtures, equipment, or goods used in the operation of the long-
36 term care facility; or
- 37 (4) The proceeds from any conveyance of property described in
38 subdivisions (1), (2), and (3) of this subsection made by the respondent
39 within one year prior to the filing of the petition for temporary
40 management unless such transfers were made in good faith, in the
41 ordinary course of business, and without intent to frustrate the intent of
42 subsection (b) of this section. Transfers made coincidental with serious
43 deficiencies in resident care may be considered evidence of intent to
44 frustrate the intent of subsection (b) of this section.

1 (d) To the extent permitted by other provisions of applicable State or federal law,
2 the lien provided for in this section is superior to any lien or other interest that arises
3 subsequent to the filing of the petition for temporary management under this section,
4 except for a construction or mechanic's lien arising out of work performed with the
5 express consent of the temporary manager.

6 (e) The clerk of court in the county in where the long-term care facility is located
7 shall record the filing of the petition for temporary management in the lien docket
8 opposite the names of the respondents and licensees named in the petition.

9 (f) Within 60 days after termination of the temporary management, the
10 temporary manager shall file a notice of any lien created under this section. If the lien is
11 on real property, the notice shall be filed with the clerk of court in the county where the
12 long-term care facility is located and entered on the lien docket. If the lien is on
13 personal property, the lien shall be filed with the person against whom the lien is
14 claimed, and shall state the name of the temporary manager, the date of the petition for
15 temporary management, the date of the termination of temporary management, a
16 description of the property involved, and the amount claimed. No lien shall exist under
17 this section against any person, on any property, or for any amount not specified in the
18 notice filed under this section.

19 **"§ 131E-245. Obligations of licensee.**

20 Nothing in this Article shall relieve any respondent, licensee, or administrator of a
21 long-term care facility placed in temporary management of any civil or criminal
22 liability, or any duty imposed by law, by reason of acts or omissions of the respondent,
23 licensee, or administrator prior to the appointment of the temporary manager. Nothing
24 in this Article shall suspend during the temporary management any obligation of the
25 respondent, licensee, or administrator for payment of taxes, other operating and
26 maintenance expenses of the long-term care facility, nor the respondent, licensee, or
27 administrator or any other person for the payment of mortgages or liens. No owner,
28 licensee, or administrator shall be held personally liable for acts or omissions of the
29 temporary manager or the temporary manager's employees during the term of the
30 temporary management. No licensee or administrator may be held responsible or liable
31 for licensure fines, sanctions or penalties, or other administrative sanctions, arising or
32 imposed as a result of acts or omissions occurring during the period of temporary
33 management unless those sanctions result from acts or omissions by the licensee or
34 administrator.

35 **"§ 131E-246. Conflict of laws.**

36 In the event of a conflict between federal laws or regulations and State law or
37 regulations, the federal law or regulations shall control."

38 Sec. 2. G.S. 131E-129(b)(3) reads as rewritten:

39 "(b) Penalties for failure to correct violations within time specified.

40 (1) Where a facility has failed to correct a Type A Violation, the
41 Department shall assess the facility a civil penalty in the amount of up
42 to five hundred dollars (\$500.00) for each day that the deficiency
43 continues. The Department or its authorized representative shall

1 conduct an on-site inspection of the facility to insure that the violation
2 has been corrected.

3 (2) Where a facility has failed to correct a Type B Violation within the
4 time specified for correction by the Department, the Department shall
5 assess the facility a civil penalty in the amount of up to two hundred
6 dollars (\$200.00) for each day that the deficiency continues beyond the
7 date specified for correction without just reason for such failure. The
8 Department or its authorized representative shall conduct an on-site
9 inspection of the facility to insure that the violation has been corrected.

10 (3) The Department shall impose a civil penalty which is treble the
11 amount assessed under subdivision (1) or (2) of subsection (a) when a
12 facility under the same management, ownership, or control:

13 a. Has received a citation and paid a fine, or

14 b. Has received a citation for which the Department in its
15 discretion granted to it under subdivision (2) of subsection (a)
16 but did not impose a penalty,

17 for violating the same specific provision of a statute or regulation for
18 which it has received a citation during the previous 12 months or
19 within the time period of the previous licensure inspection, whichever
20 time period is longer. The counting of the 12-month period shall be
21 tolled during any time when the facility is being operated by a court-
22 appointed temporary manager pursuant to Article 13 of this Chapter."

23 Sec. 3. Chapter 131D of the General Statutes is amended by adding a new
24 Article to read:

25 **"ARTICLE 4.**

26 **"TEMPORARY MANAGEMENT OF DOMICILIARY HOMES.**

27 **"§ 131D-35. Temporary management of domiciliary homes.**

28 The provisions of Article 13 of Chapter 131E are incorporated by reference in this
29 Article."

30 Sec. 4. G.S. 131D-34(b)(3) reads as rewritten:

31 "(b) Penalties for failure to correct violations within time specified.

32 (1) Where a facility has failed to correct a Type A Violation, the
33 Department shall assess the facility a civil penalty in the amount of up
34 to five hundred dollars (\$500.00) for each day that the deficiency
35 continues. The Department or its authorized representative shall
36 conduct an on-site inspection of the facility to insure that the violation
37 has been corrected.

38 (2) Where a facility has failed to correct a Type B Violation within the
39 time specified for correction by the Department, the Department shall
40 assess the facility a civil penalty in the amount of up to two hundred
41 dollars (\$200.00) for each day that the deficiency continues beyond the
42 date specified for correction without just reason for such failure. The
43 Department or its authorized representative shall conduct an on-site
44 inspection of the facility to insure that the violation has been corrected.

- 1 (3) The Department shall impose a civil penalty which is treble the
2 amount assessed under subdivision (1) or (2) of subsection (a) when a
3 facility under the same management, ownership, or control:
4 a. Has received a citation and paid a fine, or
5 b. Has received a citation for which the Department in the
6 discretion granted to it under subdivision (2) of subsection (a)
7 did not impose a penalty,
8 for violating the same specific provision of a statute or regulation for
9 which it received a citation during the previous six months or within
10 the time period of the previous licensure inspection, whichever time
11 period is longer. The counting of the 12-month period shall be tolled
12 during any time when the facility is being operated by a court-
13 appointed temporary manager pursuant to Article 4 of this Chapter."
14 Sec. 5. Subsection (a) of G.S. 131E-242 of this act is effective upon
15 ratification. The remainder of this act is effective one year from ratification.