

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	Kruse, Monnes Anderson, Telfer, Verger, Morrisette
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Jennifer Kellar, Administrator
<b>Meeting Dates:</b>	2/2, 4/22, 4/27

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**WHAT THE MEASURE DOES:** Stipulates requirements for licensure to operate multiple residential facilities in the state. Provides clarification to the definition of “facility” and delineates criteria for consideration when issuing new licenses for residential facilities. Provides for the ability to take licensing action through denial, suspension, revocation or refusal, against other facilities that may be licensed to a provider.

**ISSUES DISCUSSED:**

- Estimated increase in license denials and revocations/suspensions resulting in increased contested case hearings and legal costs
- Anticipated costs to Department of Human Services not in Governor’s Recommended Budget
- Proposed language to address the licensee as “a person” not a corporation, agency or other type of organization
- Allows review by Department of Human Services of only current and past residential facilities
- Measure language addresses only licensed facilities, not programs that are certified or registered
- Utilization in the measure of the term “compliance” versus “substantial compliance” as utilized terminology in other parts of the statute
- Question due diligence process if investigation is not performed individually by Department of Human Services and applied across the board to licensee of multiple facilities
- State’s obligation to ensure safety of residents against providers not in compliance

**EFFECT OF COMMITTEE AMENDMENT:** Provides clarification to definition of facility, denoting specific entities. Stipulates when the Department of Human Services’ has the right to deny, suspend, revoke or refuse to renew a license of a provider.

**BACKGROUND:** Residential facilities are defined in ORS 443.400 and serve people with developmental disabilities, people with physical disabilities, seniors and people who receive mental health and addiction services and supports. Currently the residential facility licensing statute lists three requirements for new licensees: (1) an applicant must demonstrate an understanding and acceptance of applicable rules; (2) an applicant must be mentally and physically capable for caring of residents; and (3) an applicant must employ or use only individuals whose presence does not jeopardize the health, safety and welfare of residents.

The licensor is not authorized to consider prior or current operating history in other facilities in Oregon or in other states. Current statute allows the Department of Human Services to revoke or suspend a license at only one residential facility at a time, though the provider may be licensed for other facilities. Senate Bill 287-A amends ORS 443.420(1) to include a fourth qualification for a person seeking initial licensure which requires the applicant, if the person operates or has operated other residential facilities, and has demonstrated compliance with the rules governing those facilities. The language does not limit this qualification to operations solely in Oregon.

4/29/2009 3:15:00 PM

*This summary has not been adopted or officially endorsed by action of the committee.*