

**FISCAL IMPACT OF PROPOSED LEGISLATION**

Measure: SB 1566 - 2

80th Oregon Legislative Assembly – 2020 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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**Measure Description:**

Modifies Oregon Promise program to extend eligibility to certain Oregon foster children who attain their highest level of education while in out-of-state placements. Makes changes to statutes relating to Department of Human Services placing children in out-of-state care facilities.

**Government Unit(s) Affected:**

Department of Human Services (DHS), Department of Justice (DOJ), Oregon Judicial Department (OJD), Department of Education (ODE), Higher Education Coordinating Commission (HECC), Community Colleges

**Summary of Fiscal Impact:**

Costs related to the measure will require budgetary action - See analysis.

**Summary of Expenditure Impact - Department of Human Services:**

	2019-21 Biennium	2021-23 Biennium
General Fund*		
Personal Services	572	763
Services and Supplies	22,121	16,305
Special Payments	89,975	17,044
<b>Total General Fund</b>	<b>\$112,668</b>	<b>\$34,112</b>
Other Funds		
Personal Services	144,830	193,107
Services and Supplies	34,282	11,871
Special Payments	0	0
<b>Other Funds</b>	<b>\$179,112</b>	<b>\$204,978</b>
<b>TOTAL FUNDS</b>	<b>\$291,780</b>	<b>\$239,090</b>
Positions	1	1
FTE	0.75	1.00

**Analysis:**

SB 1566 with the -2 amendment:

- Extends eligibility for the Oregon Promise program, grants to attend community college, to certain Oregon foster children who attain their highest level of education while in out-of-state placements.
- Permits Department of Human Services (DHS) to temporarily close, at screening, reports of third-party child abuse in specified circumstances and directs DHS to submit a report to the Legislature regarding child abuse reports closed at screening no later than November 15, 2020. This provision sunsets March 31, 2021.
- Directs DHS to adopt rules allowing up to two family-based programs to provide services to certain children, and to submit a report to the Legislature regarding such programs no later than September 1, 2022. This provision sunsets January 2, 2024.

- Prohibits DHS from placing Oregon children in out-of-state child-caring agencies unless the child-caring agency is licensed by Oregon, complies with Oregon requirements, if DHS has a contract with the child-caring agency, and if such contract meets specified requirements.
- Directs DHS to review out-of-state child-caring agency placements of children or youths who have or may have an intellectual or developmental disability and specifies criteria for such process.
- Requires DHS to accompany children and youth when placed in or moved to an out-of-state child-caring agency.
- Prohibits placing children or youth in out-of-state child-caring agencies providing care primarily to juvenile offenders except in specified circumstances.
- Requires DHS to notify the placement authorities of any other state retaining jurisdiction of children in specified settings in Oregon upon awareness of a report of suspected child abuse, and to commence an investigation of a report of suspected abuse if the reported abuse occurred in Oregon or in an out-of-state child-caring agency with Oregon children.
- Authorizes DHS to place child in a child care institution or other residential congregate care setting only if it is a child-caring agency and qualified residential treatment program (QRTP), except as specified. Clarifies accreditation requirements for QRTPs.
- Establishes criteria for court determinations of placement of children in specified out-of-state child-caring agencies, namely, ones that also serve juvenile offenders.

Department of Human Services (DHS)

DHS estimates the fiscal impact of complying with the requirements of the bill to be \$291,780 Total Funds [\$112,668 General Fund, \$179,112 Other Funds] and 1 position (0.75 FTE) for the 2019-21 biennium; and \$87,535 Total Funds [\$34,112 General Fund, \$204,978 Other Funds] and 1 position (1.00 FTE) for the 2021-23 biennium. The fiscal impact reflects the cost of one permanent full-time Compliance Specialist 3 position in the Office of Training, Investigations and Safety (OTIS) to perform out-of-state licensing. These costs are allocated as General Fund and mirrored as Other Funds because OTIS is a shared services office for both the Department of Human Services and the Oregon Health Authority.

\*General Fund amounts reflects the net cost of the OTIS shared allocation for the Child Welfare Division less anticipated savings of \$89,000 for the 2019-21 biennium and \$188,000 for the 2021-23 biennium. DHS projects this savings because the bill requires a level of care and staffing requirements standards the same as for Intensive Behavioral Support Services. Currently, the rate for Intensive Behavioral Support Services is lower than the current contracted out-of-state daily rate. However, the Intensive Behavioral Support Services rate is requested to increase and, if approved, could result in an increase of approximately \$383,000 for 2019-21 and \$757,000 for the 2021-23 biennium, resulting in a General Fund fiscal impact of \$584,805 for the 2019-21 biennium and \$979,046 for the 2021-23 biennium.

Department of Justice (DOJ), Oregon Judicial Department (OJD), Department of Education (ODE)

Passage of this bill is anticipated to have minimal impact on DOJ, OJD, and ODE.

Higher Education Coordinating Commission (HECC), Community Colleges

The impact on HECC and community colleges is indeterminant, but anticipated to be minimal, because the number of foster children or youth who would participate in the Oregon Promise program as a result of this bill cannot be predicted at this time.