

**FISCAL IMPACT OF PROPOSED LEGISLATION**

Measure: SB 710 - A7

81st Oregon Legislative Assembly – 2021 Regular Session  
Legislative Fiscal Office*Only Impacts on Original or Engrossed  
Versions are Considered Official*Prepared by: Haylee Morse-Miller  
Reviewed by: Gregory Jolivet, Julie Neburka, Tom MacDonald  
Date: June 15, 2021**Measure Description:**

Modifies allowed and prohibited uses of restraint of children in care by certain programs.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Department of Human Services (DHS), Oregon Youth Authority (OYA)

**Summary of Fiscal Impact:**

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

**Summary of Expenditure Impact:**

	<b>2021-23 Biennium</b>	<b>2023-25 Biennium</b>
General Fund	\$1,487,833	\$1,686,630
Other Funds	593,229	646,983
Federal Funds	2,274,788	2,498,975
<b>Total Funds</b>	<b>\$4,355,850</b>	<b>\$4,832,588</b>
Positions	4	4
FTE	3.68	4.00

**Analysis:**

SB 710 - A7 prohibits child-caring agencies, proctor foster homes, certified foster homes, or developmental disabilities residential facilities from placing a child in care in restraint or involuntary seclusion as a form of discipline, punishment, or retaliation. Restraint or involuntary seclusion may be used in cases when a child's behavior poses a risk of bodily harm to the child or others; and under specific other circumstances as outlined in this measure.

The Department of Human Services (DHS) must be immediately notified if a child in care suffers a reportable injury as a result of restraint or involuntary seclusion, or if a staff person suffers serious bodily injury or death in connection with restraint or involuntary seclusion. Children in care are to be notified of their reporting rights for restraint and involuntary seclusion.

Programs must report quarterly to DHS on their use of restraint and involuntary seclusion, and reports are to be posted on the DHS website. Reports are first due February 1, 2022.

A person who places a child in care in restraint or involuntary seclusion must be trained or certified as required by DHS by rule. DHS is to designate two or three providers of crisis intervention training that can provide certification. Certification is valid for two years and requires continuing education to maintain.

This measure also includes secure transportation services providers under the definition of "child-caring agencies" that require licensing or certification by DHS.

This measure declares an emergency and is effective on September 1, 2021.

## **Department of Human Services**

The Department of Human Services (DHS) anticipates a known fiscal impact of \$4,355,850 total funds in 2021-23 as a result of this measure. In 2023-25, the total funds impact is \$4,832,588. Fund splits are captured in the table above. There are also some indeterminate costs, as noted below.

A majority of the DHS costs under this measure (totaling \$2,879,418 total funds) are in the agency's Intellectual and Developmental Disabilities section, and related to the assumption that this measure will increase the cost per case by 3.08% for Children's Residential Services, equivalent to a \$656 cost per case increase in rates. This is due to increased hours related to trainings, mandatory meetings, and reporting requirements.

Remaining costs under this measure are related to four new permanent, full-time positions (3.68 FTE in 2021-23 and 4.00 FTE in 2023-25) and position-related Services and Supplies. This includes one Fiscal Analyst 2 in the DHS Intellectual and Developmental Disabilities division, to complete data and reporting requirements; and three Compliance Specialist 3s in the Office of Training, Investigation, and Safety, to provide for increased oversight of Child Caring Agencies and their use of restraints and involuntary seclusion.

The DHS Child Welfare division reports an indeterminate fiscal impact related to this measure. This division notes that this bill may require additional training or staff for Child Caring Agencies to make sure that the requirements of this measure are met. The Child Welfare division notes that this could impact the Residential Care rate model; should an analysis of this model in light of this bill result in higher rates, then there would be a fiscal impact for the Child Welfare division as well.

## **Other state agencies**

There is no fiscal impact for the Oregon Health Authority.

There is minimal impact for the Oregon Youth Authority (OYA). OYA notes that there may be an impact for OYA's contracted providers due to additional procedures and training. OYA also notes that because this measure has different requirements for OYA and DHS certified foster homes, there may be additional work required to communicate these differences, though the fiscal impact is anticipated to be minimal. OYA finally notes that if providers are unable to continue providing care due to safety or cost reasons as a result of this measure, this could increase caseloads should youth be placed in OYA custody instead of psychological treatment programs.