

## SENATE AMENDMENTS TO SENATE BILL 792

By COMMITTEE ON HUMAN SERVICES

March 31

1 In line 2 of the printed bill, after “services” insert “; creating new provisions; and amending  
2 ORS 427.900, 443.415, 443.455 and 443.735”.

3 Delete lines 4 through 8 and insert:

4 **“SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS chapter 427.**

5 **“SECTION 2. (1) The Department of Human Services shall establish application fees for  
6 initial and renewal license, certification and endorsement applications submitted by:**

7 **“(a) Residential training homes and residential training facilities, as defined in ORS  
8 443.400, for licenses under ORS 443.410.**

9 **“(b) Adult foster homes, as defined in ORS 443.705, that provide residential care to adults  
10 with intellectual or developmental disabilities, for licenses under ORS 443.735.**

11 **“(c) Facilities or other persons certified by the department to provide developmental  
12 disability services, as defined in ORS 427.101.**

13 **“(2)(a) Fees collected under subsection (1)(a) and (c) of this section shall be deposited in  
14 the Department of Human Services Account established in ORS 409.060 to be used for the  
15 licensing and certification of entities described in subsection (1) of this section.**

16 **“(b) Fees collected under subsection (1)(b) of this section shall be deposited to the Quality  
17 Care Fund established in ORS 443.001.**

18 **“(3) The department shall prescribe by rule criteria for the waiver or reduction of any  
19 fee under this section when appropriate without compromising the quality of care provided  
20 or the safety of the recipients of the residential care or developmental disability services.**

21 **“(4) No less frequently than every five years, the department shall review fees established  
22 under this section and make adjustments if necessary.**

23 **“SECTION 3. ORS 443.415 is amended to read:**

24 **“443.415. (1) Applications for licensure to maintain and operate a residential facility shall be  
25 made to the Department of Human Services or the Oregon Health Authority on forms provided for  
26 that purpose by the appropriate licensing agency. Each application shall be accompanied by a fee.  
27 No fee is required of any governmentally operated residential facility.**

28 **“(2)(a) The application fee for a residential [*training facility or a residential*] treatment facility  
29 is \$60.**

30 **“(b) The application fee for a residential training home [*is \$50*] or residential training facility  
31 shall be prescribed by the department pursuant to section 2 of this 2023 Act.**

32 **“(c) The application fee for a residential treatment home is \$30.**

33 **“(d) The application fee for a residential care facility is:**

34 **“(A) For a facility with one to 15 beds, \$2,000.**

35 **“(B) For a facility with 16 to 49 beds, \$3,000.**

1 “(C) For a facility with 50 to 99 beds, \$4,000.

2 “(D) For a facility with 100 to 150 beds, \$5,000.

3 “(E) For a facility with more than 150 beds, \$6,000.

4 “(3) Upon receipt of an application and fee, the licensing agency shall conduct an in-person site  
5 inspection, including, for residential care facilities, an inspection of the kitchen and other areas  
6 where food is prepared for residents. The licensing agency shall issue a license to any applicant for  
7 operation of a residential facility in compliance with ORS 443.002 and 443.400 to 443.455 and the  
8 rules of the licensing agency. Licensure may be denied when a residential facility is not in compli-  
9 ance with ORS 443.002 or 443.400 to 443.455 or the rules of the licensing agency. Licensure shall  
10 be denied if the State Fire Marshal, deputy or approved authority has given notice of noncompliance  
11 of a residential care facility, residential training facility or residential treatment facility pursuant  
12 to ORS 479.220.

13 “**SECTION 4.** ORS 443.735 is amended to read:

14 “443.735. (1)(a) Applications for a license to maintain and operate an adult foster home shall be  
15 made on forms provided by the licensing agency.

16 “(b) Each application submitted to the Department of Human Services for an adult foster home  
17 serving individuals with intellectual or developmental disabilities shall be accompanied by a fee [*of*  
18 *\$50 per bed requested for licensing*] **prescribed by the department under section 2 of this 2023**  
19 **Act.**

20 “(c) Each application submitted to the Oregon Health Authority, or to the Department of Human  
21 Services for an adult foster home not serving individuals with intellectual or developmental disa-  
22 bilities, shall be accompanied by a fee of \$20 per bed requested for licensing.

23 “(2) Upon receipt of an application and fee, the licensing agency shall conduct an investigation.

24 “(3) The licensing agency shall not issue an initial license unless:

25 “(a) The applicant and adult foster home are in compliance with ORS 443.002 and 443.705 to  
26 443.825 and the rules of the licensing agency;

27 “(b) The licensing agency has completed an inspection of the adult foster home;

28 “(c) The licensing agency has completed a criminal records check under ORS 181A.195 on the  
29 applicant and any person, other than a resident, 16 years of age or older who will be residing in the  
30 adult foster home. The criminal records check shall be conducted in accordance with rules adopted  
31 under ORS 181A.195;

32 “(d) The licensing agency has determined that the registry maintained under ORS 441.678 con-  
33 tains no finding that the applicant or any nursing assistant employed by the applicant has been re-  
34 sponsible for abuse; and

35 “(e) The applicant has demonstrated to the licensing agency the financial ability and resources  
36 necessary to operate the adult foster home. The licensing agency shall adopt rules as the agency  
37 deems appropriate that establish the financial standards an applicant must meet to qualify for issu-  
38 ance of a license and that protect financial information from public disclosure. The demonstration  
39 of financial ability under this paragraph shall include, but need not be limited to, providing the li-  
40 censing agency with a list of any unsatisfied judgments, pending litigation and unpaid taxes and  
41 notifying the agency regarding whether the applicant is in bankruptcy. If the applicant is unable to  
42 demonstrate the financial ability and resources required by this paragraph, the licensing agency may  
43 require the applicant to furnish a financial guarantee as a condition of initial licensure.

44 “(4) The licensing agency may not renew a license under this section unless:

45 “(a) The applicant and the adult foster home are in compliance with ORS 443.002, 443.012 and

1 443.705 to 443.825 and the rules of the licensing agency;

2 “(b) The licensing agency has completed an inspection of the adult foster home;

3 “(c) The licensing agency has completed a criminal records check under ORS 181A.195 on the  
4 applicant and any person, other than a resident, 16 years of age or older who will be residing in the  
5 adult foster home. The criminal records check under this paragraph shall be conducted in accord-  
6 ance with rules adopted under ORS 181A.195; and

7 “(d) The licensing agency has determined that the registry maintained under ORS 441.678 con-  
8 tains no finding that the applicant or any nursing assistant employed by the applicant has been re-  
9 sponsible for abuse.

10 “(5)(a) In seeking an initial license and renewal of a license when an adult foster home has been  
11 licensed for less than 24 months, the burden of proof shall be upon the provider and the adult foster  
12 home to establish compliance with ORS 443.705 to 443.825 and the rules of the licensing agency.

13 “(b) In proceedings for renewal of a license when an adult foster home has been licensed for at  
14 least 24 continuous months, the burden of proof shall be upon the licensing agency to establish  
15 noncompliance with ORS 443.705 to 443.825 and the rules of the agency.

16 “(6)(a) Persons who have been convicted of one or more crimes that, as determined by rules of  
17 the licensing agency, are substantially related to the qualifications, functions or duties of a provider,  
18 substitute caregiver or other household member of an adult foster home shall be prohibited from  
19 operating, working in or residing in an adult foster home.

20 “(b) The licensing agency shall adopt rules that distinguish the criminal convictions and types  
21 of abuse that permanently prohibit a person from operating, working in or living in an adult foster  
22 home from the convictions and types of abuse that do not permanently prohibit the person from  
23 operating, working in or living in an adult foster home.

24 “(c) A provider may not hire, retain in employment or allow to live in an adult foster home,  
25 other than as a resident, any person who the provider knows has been convicted of a disqualifying  
26 crime or has been found responsible for a disqualifying type of abuse.

27 “(7) A license under ORS 443.725 is effective for one year from the date of issue unless sooner  
28 revoked. Each license shall state the name of the resident manager of the adult foster home, the  
29 names of all providers who own the adult foster home, the address of the premises to which the li-  
30 cense applies, the maximum number of residents and the classification of the adult foster home. If,  
31 during the period covered by the license, a resident manager changes, the provider must within 15  
32 days request modification of the license. The request must be accompanied by a fee of \$10.

33 “(8) No license under ORS 443.725 is transferable or applicable to any location, persons oper-  
34 ating the adult foster home or the person owning the adult foster home other than that indicated  
35 on the application for licensing.

36 “(9) The licensing agency shall not issue a license to operate an additional adult foster home  
37 to a provider unless the provider has demonstrated the qualifications and capacity to operate the  
38 provider’s existing licensed adult foster homes and has demonstrated the ability to provide to the  
39 residents of those adult foster homes care that is adequate and substantially free from abuse and  
40 neglect.

41 “(10)(a) All moneys collected under ORS 443.725 to 443.780 from adult foster homes that are li-  
42 censed to serve persons with mental, emotional or behavioral disturbances or alcohol or drug de-  
43 pendence shall be deposited in a special account in the General Fund, and are appropriated  
44 continuously for payment of expenses incurred by the Oregon Health Authority.

45 “(b) All moneys collected under ORS 443.725 to 443.780 from adult foster homes licensed to serve

1 persons who are elderly[,] **or** have physical disabilities [*or have developmental disabilities*] shall be  
2 deposited in the Quality Care Fund established in ORS 443.001.

3 “(11) Notwithstanding any other provision of this section or ORS 443.725 or 443.738, the licens-  
4 ing agency may issue a 60-day provisional license to a qualified person if the agency determines that  
5 an emergency situation exists after being notified that the licensed provider of an adult foster home  
6 is no longer overseeing operation of the adult foster home.

7 **“SECTION 5.** ORS 427.900 is amended to read:

8 “427.900. (1) The Department of Human Services shall adopt by rule civil penalties to be im-  
9 posed, in accordance with ORS 183.745, [*on any provider contracting with the department to provide*  
10 *intellectual or developmental disability services*] for a violation of a statutory requirement or a rule  
11 adopted by the department applicable to the provision of services described in ORS 409.010 (2) **by**  
12 **any provider contracting with the department to provide intellectual or developmental disa-**  
13 **bility services including, but not limited to:**

14 **“(a) Residential training homes or residential training facilities, as defined in ORS**  
15 **443.400;**

16 **“(b) Adult foster homes, as defined in ORS 443.705, that provide residential care to indi-**  
17 **viduals with intellectual or developmental disabilities; and**

18 **“(c) Persons certified by the department to provide developmental disability services, as**  
19 **defined in ORS 427.101.**

20 “(2) This section may not be construed to supersede ORS 418.992 or 441.710 or any other statute  
21 that prescribes criteria for or limitations on the imposition of a civil penalty.

22 “(3) Moneys collected by the department pursuant to rules adopted under this section shall be  
23 transferred to the State Treasury for deposit to the Department of Human Services Account estab-  
24 lished under ORS 409.060 and may be used by the division of the department that provides devel-  
25 opmental disabilities services for system improvements and the implementation of policies.

26 **“(4) No less frequently than every five years, the department shall review and update, if**  
27 **appropriate, civil penalties established under this section.**

28 **“(5) Civil penalties recovered from a residential training facility or a residential training**  
29 **home shall be deposited in the Long Term Care Ombudsman Account established in ORS**  
30 **441.419.**

31 **“SECTION 6.** ORS 443.455 is amended to read:

32 “443.455. (1) Except as provided in subsection (5) of this section, for purposes of imposing civil  
33 penalties, residential facilities approved under ORS 443.400 to 443.455 are subject to ORS 441.705  
34 to 441.745.

35 “(2)[(a)] The Director of Human Services shall impose penalties on residential care facilities  
36 pursuant to ORS 441.731.

37 **“(b) The director shall [by rule prescribe a schedule of] impose penalties [for] pursuant to ORS**  
38 **427.900 on residential training facilities and residential training homes that are not in compliance**  
39 **with ORS 443.400 to 443.455.**

40 “(3) The Director of the Oregon Health Authority shall by rule prescribe a schedule of penalties  
41 for residential treatment facilities and residential treatment homes that are not in compliance with  
42 ORS 443.400 to 443.455.

43 “(4) If the Department of Human Services or the Oregon Health Authority investigates and  
44 makes a finding of abuse arising from deliberate or other than accidental action or inaction that is  
45 likely to cause a negative outcome by a person with a duty of care toward a resident of a residential

1 facility, other than a residential care facility, and if the abuse resulted in the death, serious injury,  
2 rape or sexual abuse of a resident, the department or authority shall impose a civil penalty of not  
3 less than \$2,500 for each occurrence of substantiated abuse, not to exceed \$15,000 in any 90-day  
4 period. As used in this subsection:

5 “(a) ‘Negative outcome’ includes serious injury, rape, sexual abuse or death.

6 “(b) ‘Rape’ means rape in the first degree as defined in ORS 163.375, rape in the second degree  
7 as defined in ORS 163.365 and rape in the third degree as defined in ORS 163.355.

8 “(c) ‘Serious injury’ means physical injury that creates a substantial risk of death or that causes  
9 serious and protracted disfigurement, protracted impairment of health or protracted loss or impair-  
10 ment of the function of any bodily organ.

11 “(d) ‘Sexual abuse’ means any form of sexual contact between an employee of a residential fa-  
12 cility or a person providing services in the residential facility and a resident of that facility, in-  
13 cluding but not limited to sodomy, sexual coercion, sexually explicit photographing and sexual  
14 harassment.

15 “(5) Civil penalties recovered from a [*residential training facility, residential training home,*] res-  
16 idential treatment facility or residential treatment home shall be deposited in the Long Term Care  
17 Ombudsman Account established in ORS 441.419.”.

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