

B-Engrossed Senate Bill 136

Ordered by the Senate June 19
Including Senate Amendments dated April 18 and June 19

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Human Services)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells DHS when it may impose sanctions on a licensed I/DD services provider. (Flesch Readability Score: 74.2).

[Digest: The Act tells DHS when it may revoke the license of an I/DD services provider. (Flesch Readability Score: 79.5).]

[Requires] **Authorizes** the Department of Human Services, under specified circumstances, to revoke, **suspend or impose conditions on** the license, certificate or endorsement of a provider of services to individuals with intellectual or developmental disabilities. *[Authorizes the department, under specified circumstances, to revoke, suspend or impose conditions on the license, certificate or endorsement of a provider.]*

A BILL FOR AN ACT

1
2 Relating to developmental disabilities services providers.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 427.**

5 **SECTION 2. (1) As used in this section:**

6 (a) **“Agency” means an entity that is certified and endorsed by the Department of Human**
7 **Services to provide services to individuals with intellectual or developmental disabilities.**

8 (b) **“Ownership interest” means:**

9 (A) **A direct or indirect ownership interest, or a combination of direct and indirect own-**
10 **ership interests, equal to five percent or more in an agency;**

11 (B) **An interest in any mortgage, deed of trust, note or other obligation secured by an**
12 **agency if the interest equals at least five percent of the value of the property or assets of**
13 **the agency;**

14 (C) **Holding the position of an officer or director of an agency that is organized as an**
15 **entity;**

16 (D) **Holding the position of a partner of an agency that is organized as a partnership; or**

17 (E) **Holding the position of a member of the board of directors of an agency that has a**
18 **board of directors.**

19 (c) **“Provider” means:**

20 (A) **An agency;**

21 (B) **An adult foster home, as defined in ORS 443.705, that is licensed to provide residential**
22 **care to individuals with intellectual or developmental disabilities; or**

23 (C) **A developmental disability child foster home, as defined in ORS 443.830.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (d) "Responsible person" means:

2 (A) A person who exercises operational or managerial control over, who has an owner-
3 ship interest in or who directly or indirectly conducts the day-to-day operations of an agency;

4 (B) An owner, operator or resident manager of an adult foster home, as defined in ORS
5 443.705, that is licensed to provide residential care to individuals with intellectual or devel-
6 opmental disabilities; or

7 (C) An owner, operator or resident manager of a developmental disability child foster
8 home, as defined in ORS 443.830.

9 (2) The Department of Human Services may revoke the license, certificate or endorse-
10 ment of a provider and deny any new application for a license, certificate or endorsement
11 submitted by the provider:

12 (a) For at least 12 months if a responsible person denies the department access to a fa-
13 cility or an individual receiving services or directs an employee or substitute caregiver to
14 deny the department access to a facility or an individual receiving services.

15 (b) For at least 12 months if a responsible person alters, conceals, destroys or otherwise
16 manipulates records or directs an employee or substitute caregiver to alter, conceal, destroy
17 or otherwise manipulate records.

18 (c) For at least 36 months if a responsible person's persistent, egregious acts, failures
19 to act or failures to adequately train or supervise employees or substitute caregivers led to,
20 or reasonably would be expected to lead to, the death of or serious harm to an individual.

21 (3) If the department finds that the operations of a provider put the health, safety, rights
22 or welfare of the individuals served by the provider at risk, the department may revoke,
23 suspend or impose conditions on the license, certificate or endorsement of the provider. A
24 suspension or condition imposed under this subsection may not be lifted until the department
25 has confirmed that all concerns have been remediated.

26 **SECTION 3.** Notwithstanding any other provision of law, the General Fund appropriation
27 made to the Department of Human Services by section 1 (7), chapter __, Oregon Laws 2025
28 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2025, for
29 intellectual/developmental disabilities programs, is increased by \$480,234.

30 **SECTION 4.** Notwithstanding any other law limiting expenditures, the limitation on
31 expenditures established by section 3 (7), chapter __, Oregon Laws 2025 (Enrolled Senate
32 Bill 5526), for the biennium beginning July 1, 2025, as the maximum limit for payment of ex-
33 penses from federal funds, excluding federal funds described in section 2, chapter __, Oregon
34 Laws 2025 (Enrolled Senate Bill 5526), collected or received by the Department of Human
35 Services, for intellectual/developmental disabilities programs, is increased by \$480,234.

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