

# Senate Bill 1534

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## 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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes changes to laws about children in care and CCA regulation. (Flesch Readability Score: 69.9).

Modifies provisions regarding abuse of children in care.

Modifies provisions regarding licensing of child-caring agencies.

Modifies provisions regarding out-of-state placements of children in care.

Declares an emergency, effective on passage.

## A BILL FOR AN ACT

1 Relating to the welfare of young people; creating new provisions; amending ORS 329A.030, 329A.275,  
2 418.205, 418.210, 418.215, 418.240, 418.241, 418.246, 418.248, 418.255, 418.257, 418.258, 418.259,  
3 418.260, 418.322, 418.327, 418.330, 418.500, 418.519, 418.625, 418.992, 419B.005, 419C.620 and  
4 704.023; and declaring an emergency.

5  
6 **Be It Enacted by the People of the State of Oregon:**

## CHILDREN IN CARE

7  
8  
9  
10 **SECTION 1.** **Section 2 of this 2026 Act is added to and made a part of ORS 418.257 to**  
11 **418.259.**

12 **SECTION 2.** (1) A child-caring agency, developmental disabilities residential facility,  
13 proctor foster home, certified foster home, adjudicated youth foster home, caretaker or  
14 other person with a duty of care to a child in care abuses the child in care if the child-caring  
15 agency, developmental disabilities residential facility, proctor foster home, certified foster  
16 home, ~~adjudicated youth foster home~~, caretaker or other person fails to make a reasonable  
17 effort to protect the child in care from abuse as described in this section or ORS 419B.005.

18 ~~(2) A person abuses a child in care for purposes of ORS 418.257 to 418.259 if:~~

19 ~~(a) The person neglects the child in care by failing to provide education, care, supervision~~  
20 ~~or services that the person has a duty to provide; and~~

21 ~~(b) The education, care, supervision or services are necessary to maintain the physical,~~  
22 ~~developmental and mental health of the child in care.~~

23 (3) An individual abuses a child in care if the individual is an employee, operator, con-  
24 tractor, agent or volunteer of a child-caring agency, developmental disabilities residential  
25 facility, proctor foster home, certified foster home or ~~adjudicated youth foster home~~ or is  
26 any other person who, due to the child's status as a child in care, is responsible for the  
27 provision of care or services to the child in care and the individual:

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       (a) Neglects the child in care by: that a person has a duty to provide to the child in care and that is  
2           (A) Failing to provide the care, supervision or services necessary to maintain the phys-  
3           ical and mental health of the child in care; or  
4           (B) Failing to make a reasonable effort to protect the child in care from abuse as de-  
5           scribed in this section or ORS 419B.005.  
6       (b) Abandons the child in care, including deserting or willfully forsaking the child in care  
7           or withdrawing or neglecting duties and obligations owed to the child in care by the individ-  
8           ual.  
9       (4) An individual abuses a child in care if:  
10          (a) The individual is at least 18 years of age;  
11          (b) The individual is not a child in care;  
12          (c) The individual:  
13           (A) Is an employee, volunteer or contractor of a child-caring agency, a developmental  
14           disabilities residential facility, a proctor foster home, a certified foster home or an adjudicated  
15           youth foster home;  
16           (B) Is an operator of a child-caring agency, a developmental disabilities residential facil-  
17           ity, a proctor foster home, a certified foster home ~~or an adjudicated youth foster home~~;  
18           (C) Resides in the same child-caring agency, developmental disabilities residential facility,  
19           proctor foster home, certified foster home or ~~adjudicated youth foster home~~ as the child in  
20           care; or  
21           (D) Has access to the child in care due to the individual's relationship with a person de-  
22           scribed in subparagraphs (A) to (C) of this paragraph; and  
23          (d) The individual does one or more of the following:  
24           (A) Assaults the child in care ~~or otherwise subjects the child in care to unreasonable,~~  
25           ~~unlawful or unjustified use of force.~~  
26           (B) Commits an act that causes physical injury to the child in care and the act is non-  
27           accidental or the injury appears at variance with the individual's explanation of the act  
28           causing the injury.  
29           (C) Imposes a restraint or involuntary seclusion on the child in care in violation of ORS  
30           418.521 or 418.523.  
31           (D) Willfully inflicts physical pain or injury upon the child in care.  
32           (E) Commits an act involving the child in care that constitutes a crime under ORS  
33           163.263, 163.264, 163.266, 163.413, 163.465, 163.467, 163.535, 163.537, 163.547, 163.575, 163.670,  
34           163.700 or 163.701.  
35           (F) Verbally abuses the child in care by threatening significant physical or emotional  
36           harm to the child in care through any means, including:  
37              (i) The use of derogatory or inappropriate names, insults, verbal assaults, profanity or  
38              ridicule;  
39              (ii) Harassment, coercion, humiliation, mental cruelty or inappropriate sexual comments;  
40              or  
41              (iii) Intimidation, including compelling or deterring conduct by threat.  
42           (G) Engages in financial exploitation of the child in care by:  
43              (i) Wrongfully taking the assets, funds or property belonging to or intended for the use  
44              of the child in care;  
45              (ii) Alarming the child in care by conveying a threat to wrongfully take or appropriate

1       moneys or property of the child in care if the child in care would reasonably believe that the  
 2       threat conveyed would be carried out;

3       (iii) Misappropriating, misusing or transferring without authorization any moneys from  
 4       any account held jointly or singly by a child in care; or

5       (iv) Failing to use the income or assets of the child in care effectively for the support  
 6       and maintenance of the child in care.

7       (H) Engages in sexual abuse of the child in care by committing an act that constitutes:

8       (i) Sexual harassment of the child in care;

9       (ii) Inappropriate exposure of the child in care to sexually explicit material or language;  
 10      or

11      (iii) Sexual contact, as defined in ORS 163.305, with the child in care, regardless of  
 12      whether the sexual contact constitutes a crime under ORS chapter 163.

13      (I) Sexually exploits the child in care by any means, including:

14       (i) Allowing, permitting, encouraging or hiring the child in care to engage in prostitution  
 15      as described in ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase  
 16      sex with a minor as described in ORS 163.413 or to engage in commercial sexual solicitation  
 17      as described in ORS 167.008;

18       (ii) Directing or encouraging another person to engage in sexual contact, as defined in  
 19      ORS 163.305, with the child in care;

20       (iii) Contributing to the sexual delinquency of the child in care, as described in ORS  
 21      163.435; or

22       (iv) Engaging in other conduct that allows, employs, authorizes, permits, induces or  
 23      encourages the child in care to engage in a performance to be observed, photographed,  
 24      ~~in performing for people~~ ~~or the photographing, filming, tape recording or other exhibition that,~~ ~~filmed, tape recorded or otherwise exhibited, if the performance, in whole or in part, depicts~~  
 25      sexual conduct or sexual contact, as those terms are defined in ORS 167.002, or sexually ex-  
 26      plicit conduct as described in ORS 163.665 and 163.670, or sexual abuse ~~involving the child in~~  
 27      ~~involving the child in care or rape of the child in care, other than conduct that is part of any investigation conducted pursuant to ORS 418.258, 418.259 or 419B.020, or that is designed to serve~~  
 28      ~~educational or other legitimate purposes.~~

29       ~~(ii) As used in this sub-subparagraph, "conduct" does not include any conduct that is~~  
 30      ~~part of any investigation conducted pursuant to ORS 418.258, 418.259 or 419B.020, or that is~~  
 31      ~~designed to serve educational or other legitimate purposes.~~

32       (5) As used in this section:

33       (a) "Financial exploitation" does not include age-appropriate discipline that may involve  
 34      the threat to withhold, or the withholding of, privileges.

35       (b) "Intimidation" does not include age-appropriate discipline that may involve the threat  
 36      to withhold privileges.

37       SECTION 3. ORS 418.257 is amended to read:

38       418.257. As used in ORS 418.257 to 418.259:

39       [(1) "Abuse" means one or more of the following:]

40       [(a) Any physical injury to a child in care caused by other than accidental means, or that appears  
 41      to be at variance with the explanation given of the injury.]

42       [(b) Neglect of a child in care.]

43       [(c) Abandonment, including desertion or willful forsaking of a child in care or the withdrawal or  
 44      neglect of duties and obligations owed a child in care by a child-caring agency, caretaker, certified  
 45      foster home, developmental disabilities residential facility or other person.]

46       [(d) Willful infliction of physical pain or injury upon a child in care.]

1       [(e) *An act that constitutes a crime under ORS 163.375, 163.405, 163.411, 163.415, 163.425, 163.427,*  
2 *163.465, 163.467 or 163.525.]*

3       [(f) *Verbal abuse.]*

4       [(g) *Financial exploitation.]*

5       [(h) *Sexual abuse.]*

6       [(i) *The use of restraint or involuntary seclusion of a child in care in violation of ORS 418.521 or*  
7 *418.523.]*

8       **(1) "Abuse" means abuse as described in section 2 of this 2026 Act. *or ORS 419B.005***

9       **~~(2) "Adjudicated youth foster home" means a foster home certified by the Oregon Youth~~**

10 **~~Authority under ORS 420.888 to 420.892.~~**

11       [(2) *"Certified foster home" means a foster home certified by the Department of Human Services*  
12 *and subject to ORS 418.625 to 418.645.]*

13       (3)(a) "Child in care" means a person under 21 years of age who is:

14       **(A) In the physical or legal custody of the Department of Human Services; or**

15       **(B) Is residing in or receiving care or services from:**

16       [(A)] (i) A Child-caring agency or proctor foster home subject to ORS 418.205 to 418.327, **418.241**,  
17 418.470, 418.475 or 418.950 to 418.970;

18       [(B)] (ii) A certified foster home; [or]

19       [(C)] (iii) A developmental disabilities residential facility[.]; **or**

20 **~~(iv) An adjudicated youth foster home.~~**

21       (b) "Child in care" does not include a person under 21 years of age who is residing in any of  
22 the entities listed in paragraph (a)(B) of this subsection when the care provided is in the home of  
23 the child by the child's parent.

24       [(4) *"Developmental disabilities residential facility" means a residential facility or foster home for*  
25 *children who are 17 years of age or younger and receiving developmental disability services that is*  
26 *subject to ORS 443.400 to 443.455, 443.830 and 443.835.]*

27       [(5)(a) *"Financial exploitation" means:]*

28       [(A) *Wrongfully taking the assets, funds or property belonging to or intended for the use of a child*  
29 *in care.]*

30       [(B) *Alarming a child in care by conveying a threat to wrongfully take or appropriate moneys or*  
31 *property of the child in care if the child would reasonably believe that the threat conveyed would be*  
32 *carried out.]*

33       [(C) *Misappropriating, misusing or transferring without authorization any moneys from any ac-*  
34 *count held jointly or singly by a child in care.]*

35       [(D) *Failing to use the income or assets of a child in care effectively for the support and mainte-*  
36 *nance of the child in care.]*

37       [(b) *"Financial exploitation" does not include age-appropriate discipline that may involve the threat*  
38 *to withhold, or the withholding of, privileges.]*

39       [(6) *"Intimidation" means compelling or deterring conduct by threat. "Intimidation" does not in-*  
40 *clude age-appropriate discipline that may involve the threat to withhold privileges.]*

41       [(7) *"Involuntary seclusion" has the meaning given that term in ORS 418.519.]*

42       [(8)] (4) "Law enforcement agency" means:

43       (a) Any city or municipal police department.

44       (b) Any county sheriff's office.

45       (c) The Oregon State Police.

1       (d) Any district attorney.

2       (e) A police department established by a university under ORS 352.121 or 353.125.

3       [(9) "Neglect" means:]

4       [(a) *Failure to provide the care, supervision or services necessary to maintain the physical and*  
5 *mental health of a child in care; or]*

6       [(b) *The failure of a child-caring agency, proctor foster home, certified foster home, developmental*  
7 *disabilities residential facility, caretaker or other person to make a reasonable effort to protect a child*  
8 *in care from abuse.]*

9       [(10) "Restraint" has the meaning given that term in ORS 418.519.]

10     [(11)] (5) "Services" includes but is not limited to the provision of food, clothing, medicine,  
11 housing, medical services, assistance with bathing or personal hygiene or any other service essential  
12 to the well-being of a child in care.

13     [(12) "Sexual abuse" means:]

14     [(a) *Sexual harassment, sexual exploitation or inappropriate exposure to sexually explicit material*  
15 *or language;]*

16     [(b) *Any sexual contact between a child in care and an employee of a child-caring agency, proctor*  
17 *foster home, certified foster home, developmental disabilities residential facility, caretaker or other*  
18 *person responsible for the provision of care or services to a child in care;]*

19     [(c) *Any sexual contact between a person and a child in care that is unlawful under ORS chapter*  
20 *163 and not subject to a defense under that chapter; or]*

21     [(d) *Any sexual contact that is achieved through force, trickery, threat or coercion.]*

22     [(13) "Sexual contact" has the meaning given that term in ORS 163.305.]

23     [(14) "Sexual exploitation" means sexual exploitation as described in ORS 419B.005 (1)(a)(E).]

24     [(15) "Verbal abuse" means to threaten significant physical or emotional harm to a child in care  
25 *through the use of:]*

26     [(a) *Derogatory or inappropriate names, insults, verbal assaults, profanity or ridicule; or]*

27     [(b) *Harassment, coercion, threats, intimidation, humiliation, mental cruelty or inappropriate sexual*  
28 *comments.]*

29     **SECTION 4.** ORS 418.992 is amended to read:

30     418.992. (1) In addition to any other liability or penalty provided by law, the Director of Human  
31 Services may impose a **corrective action or civil penalty or both**:

32     (a) On a child-caring agency that is subject to ORS 418.205 to 418.327, **418.241, 418.519 to**  
33 **418.532, 418.470, 418.475 or 418.950 to 418.970** for any of the following:

34      (A) Violation of any of the terms or conditions of a license, certificate or other authorization  
35 issued under ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970.

36      (B) Violation of any rule adopted by, or general order of, the Department of Human Services  
37 that pertains to a child-caring agency.

38      (C) Violation of any final order of the director that pertains specifically to the child-caring  
39 agency.

40      (D) Violation of the requirement to have a license, certificate or other authorization under ORS  
41 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970.

42      (b) On a **provider of** secure transportation services [*provider*], as defined in ORS 418.241, that  
43 violates the disclosure requirement described in ORS 418.241.

44      (2) The director shall impose a civil penalty not to exceed \$500, unless otherwise required by  
45 law, on any child-caring agency for falsifying records, reports, documents or financial statements or

1 for causing another person to do so.

2 (3) The director shall impose a civil penalty of not less than \$250 nor more than \$500, unless  
 3 otherwise required by law, on a child-caring facility **as defined in ORS 418.950** that assumes care  
 4 or custody of, or provides care or services to, a child knowing that the child's care needs exceed  
 5 the license, certificate or authorization classification of the child-caring agency if the assumption  
 6 of care or custody, or provision of care or services, places that child's health, safety or welfare at  
 7 risk.

8 (4) Unless the health, safety or welfare of a child is at risk, the director in every case shall  
 9 prescribe a reasonable time for elimination of a violation:

10 (a) Not to exceed 45 days after first notice of a violation; or

11 (b) In cases where the violation requires more than 45 days to correct, such time as is specified  
 12 in a plan of correction found acceptable by the director.

13 (5) A civil penalty imposed under this section may be remitted or reduced upon such terms and  
 14 conditions as the director considers proper and consistent with the public health and safety.

15 (6) The department shall adopt rules establishing objective criteria for the imposition and  
 16 amount of civil penalties under ORS 418.992 to 418.998 **consistent with this section**.

17

## 18 CHILD-CARING AGENCY REGULATION

19

20 **SECTION 5.** ORS 418.205 is amended to read:

21 418.205. As used in ORS 418.205 to 418.327, [418.330,] 418.470, 418.475, 418.950 to 418.970 and  
 22 418.992 to 418.998, unless the context requires otherwise:

23 (1) **"Certified foster home"** means a foster home certified by the Department of Human  
 24 Services and subject to ORS 418.625 to 418.645.

25 [(1)] (2) "Child" means an unmarried person under 21 years of age [*who resides in or receives*  
 26 *care or services from a child-caring agency*].

27 [(2)(a) "Child-caring agency" means:]

28 [(A) Any private school, private agency, private organization or county program providing:]

29 [(i) Day treatment for children with emotional disturbances;]

30 [(ii) Adoption placement services;]

31 [(iii) Residential care, including but not limited to foster care or residential treatment for  
 32 children;]

33 [(iv) Residential care in combination with academic education and therapeutic care, including but  
 34 not limited to treatment for emotional, behavioral or mental health disturbances;]

35 [(v) Outdoor youth programs; or]

36 [(vi) Other similar care or services for children.]

37 [(B) Any private organization or person that provides secure transportation services as defined in  
 38 ORS 418.241 during any segment of a child's trip to or from a child-caring agency, certified foster home  
 39 as defined in ORS 418.241 or developmental disabilities residential facility as defined in ORS 418.241,  
 40 if the route of the child's trip begins or ends in this state.]

41 [(b) "Child-caring agency" includes the following:]

42 [(A) A shelter-care home that is not a foster home subject to ORS 418.625 to 418.645;]

43 [(B) An independent residence facility as described in ORS 418.475 that meets the standards es-  
 44 tablished by the Department of Human Services by rule to be considered a child-caring agency;]

45 [(C) A private residential boarding school;]

1       [(D) *A child-caring facility as defined in ORS 418.950; and]*  
 2       [(E) *A secure nonemergency medical transportation provider, as defined in ORS 418.241.]*  
 3       [(c) *“Child-caring agency” does not include:—*  
 4        [(A) *Residential facilities or foster care homes certified or licensed by the Department of Human*  
 5        *Services under ORS 443.400 to 443.455, 443.830 and 443.835 for children receiving developmental dis-*  
 6        *ability services;]*

7        [(B) *Any private agency or organization facilitating the provision of respite services for parents*  
 8        *pursuant to a properly executed power of attorney under ORS 109.056. For purposes of this subpara-*  
 9        *graph, “respite services” means the voluntary assumption of short-term care and control of a minor*  
 10       *child without compensation or reimbursement of expenses for the purpose of providing a parent in crisis*  
 11       *with relief from the demands of ongoing care of the parent’s child;]*

12       [(C) *A youth job development organization as defined in ORS 344.415;]*  
 13       [(D) *A shelter-care home that is a foster home subject to ORS 418.625 to 418.645;]*  
 14       [(E) *A foster home subject to ORS 418.625 to 418.645;]*  
 15       [(F) *A facility that exclusively serves individuals 18 years of age and older; or]*  
 16       [(G) *A facility that primarily serves both adults and children but requires that any child must be*  
 17       *accompanied at all times by at least one custodial parent or guardian.]*

18       **(3) “Child-caring agency” means a children’s care or services provider that is required**  
 19       **under ORS 418.215 to be licensed, certified or otherwise authorized by the Department of**  
 20       **Human Services under ORS 418.240.**

21       [(3) *“Child-caring facility” has the meaning given that term in ORS 418.950.]*  
 22       [(4)(a) *“County program” means any county operated program that provides care or services to*  
 23       *children:—*

24        [(A) *In the custody of the Department of Human Services or the Oregon Youth Authority; or]*  
 25        [(B) *Under a contract with the Oregon Health Authority.]*  
 26        [(b) *“County program” does not include any local juvenile detention facility that receives state ser-*  
 27       *vices provided and coordinated by the Department of Corrections under ORS 169.070.]*

28       **(4) “Developmental disabilities residential facility” means a residential facility or foster**  
 29       **home that is subject to ORS 443.400 to 443.455 or 443.830 and 443.835 for children who are**  
 30       **under 18 years of age and receiving developmental disability services.**

31       **[(5) (5) “Governmental agency” means an executive, legislative or judicial agency, department,**  
 32       **board, commission, authority, institution or instrumentality of this state or of a county, municipality**  
 33       **or other political subdivision of this state.**

34       [(6) *“Independent residence facility” means a facility as described in ORS 418.475.]*  
 35       **(6) “Managers” means the individuals at the highest levels of an organization’s leadership**  
 36       **who have significant responsibility for the operations, finances or overall governance of the**  
 37       **organization.**

38       [(7)(a) *“Outdoor youth program” means a program that provides, in an outdoor living setting, ser-*  
 39       *vices to children who have behavioral problems, mental health problems or problems with abuse of al-*  
 40       *cohol or drugs.]*

41       [(b) *“Outdoor youth program” does not include any program, facility or activity:—*  
 42        [(A) *Operated by a governmental entity;]*  
 43        [(B) *Operated or affiliated with the Oregon Youth Corps;]*  
 44        [(C) *Licensed by the Department of Human Services under other authority of the department; or]*  
 45        [(D) *Operated by a youth job development organization as defined in ORS 344.415.]*

1       [(8)] **(7)** “Private” means not owned, operated or administered by any governmental agency or  
2 unit.

3       [(9) *“Private residential boarding school” means either of the following as the context requires:]*  
4       [(a) *A child-caring agency that is a private school that provides residential care in combination*  
5 *with academic education and therapeutic care, including but not limited to treatment for emotional,*  
6 *behavioral or mental health disturbances; or]*

7       [(b) *A private school providing residential care that is primarily engaged in educational work un-*  
8 *der ORS 418.327.]*

9       [(10)] **(8)** “Proctor foster home” means a foster home certified by a child-caring agency under  
10 ORS 418.248 that is [not subject to ORS 418.625 to 418.645] **not a certified foster home**.

11       [(11) *“Provider of care or services for children” means a person, entity or organization that pro-*  
12 *vides care or services to children, regardless of whether the child is in the custody of the Department*  
13 *of Human Services, and that does not otherwise meet the definition of, or requirements for, a child-*  
14 *caring agency. “Provider of care or services for children” includes a proctor foster home certified by*  
15 *a child-caring agency under ORS 418.248.]*

16       [(12)] **(9)** “Qualified residential treatment program” means a program described in ORS 418.323.

17       [(13) *“Shelter-care home” has the meaning given that term in ORS 418.470.]*

18       **SECTION 6.** ORS 418.210 is amended to read:

19       418.210. ORS 418.205 to 418.327 [**shall**] **and 418.241 do** not apply to:

20       (1) [*Homes*] **A home** established and maintained by **a fraternal [organizations] organization**  
21 wherein only members, [*their*] **members’** spouses and surviving spouses in marriages and children  
22 are admitted as residents;

23       (2) [*Any*] **Except as specifically provided in ORS 418.257 to 418.259, a certified foster home  
24 [*that is subject to ORS 418.625 to 418.645;*]**

25       (3) [*Any*] **A child care facility that is subject to ORS 329A.030 and 329A.250 to 329A.450;**

26       (4) [*Any*] **An individual, or home of an individual, providing respite services, as defined in ORS  
27 [*418.205*] **418.215 (2)(b), for parents pursuant to a properly executed power of attorney under ORS  
28 *109.056;*****

29       (5) [*Any*] **A private agency or organization facilitating the provision of respite services, as de-**  
30 **fined in ORS [418.205] 418.215 (2)(b), for parents pursuant to a properly executed power of attorney**  
31 **under ORS 109.056; or**

32       [(6) *A shelter-care home that is subject to ORS 418.625 to 418.645.]*

33       [(7) *Any governmental entity, other than a county program, that is a provider of care or services*  
34 *for children, including but not limited to the Oregon Youth Authority.]*

35       **(6) Except as specifically provided in ORS 418.257 to 418.259, a governmental entity, in-**  
36 **cluding the Oregon Youth Authority, that provides care or services to children, regardless**  
37 **of whether the children are in the custody of the Department of Human Services, if:**

38       **(a) The governmental entity is not a child-caring agency; and**

39       **(b) The governmental entity is not a county program, as defined in ORS 418.215.**

40       **SECTION 7.** ORS 418.215 is amended to read:

41       418.215. [(1) *A child-caring agency may not provide or engage in any care or services described in*  
42 *ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970 unless the agency is licensed, certified*  
43 *or otherwise authorized to provide or engage in the provision of care or services to a child by the*  
44 *Department of Human Services under ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to*  
45 *418.970.]*

1        *[(2) A child-caring agency that provides care or services to a child may not be licensed, certified*  
2        *or authorized under ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970 unless the*  
3        *agency:]*

4        *[(a) Is duly incorporated under the corporation laws of any state; or]*

5        *[(b) Is a county program.]*

6        **(1) The following children's care or services providers must be licensed, certified or otherwise authorized by the Department of Human Services under ORS 418.240 to provide or engage in the provision of care or services described in ORS 418.205 to 418.327, 418.241, 418.470, 418.475 or 418.950 to 418.970:**

10      **(a) A private school, private agency, private organization or county program that is:**

11      **(A) A provider of psychiatric day treatment for children;**

12      **(B) A provider of adoption placement services;**

13      **(C) A provider of residential care, including but not limited to foster care or residential treatment for children;**

15      **(D) A provider of residential care in combination with academic education, <sup>and</sup> therapeutic care <sup>or</sup> and disability-related supports, including but not limited to treatment for emotional, behavioral or mental health disturbances;**

18      **(E) An outdoor youth program, as defined in ORS 418.246; or**

19      **(F) A provider of other similar care or services for children;**

20      **(b) Any private organization or person that provides secure <sup>nonmedical</sup> transportation services as defined in ORS 418.241 during any segment of a child's trip to or from a child-caring agency, certified foster home or developmental disabilities residential facility, if the route of the child's trip begins or ends in this state;**

24      **(c) A shelter-care home, as defined in ORS 418.470, that is not a certified foster home;**

25      **(d) An independent residence facility as described in ORS 418.475 that meets the standards established by the department by rule to be considered a provider described in this section;**

28      **(e) A private residential boarding school, as defined in ORS 418.327; and**

29      **(f) A child-caring facility as defined in ORS 418.950.**

30      **(2) The following providers of care or services to children are not required to be licensed, certified or otherwise authorized by the department under ORS 418.240:**

32      **(a) A developmental disabilities residential facility unless the developmental disabilities residential facility also serves children that are not eligible to receive developmental disability services;**

35      **(b) Any private agency or organization facilitating the provision of respite services for parents pursuant to a properly executed power of attorney under ORS 109.056. For purposes of this paragraph, "respite services" means the voluntary assumption of short-term care and control of a minor child without compensation or reimbursement of expenses for the purpose of providing a parent in crisis with relief from the demands of ongoing care of the parent's child;**

41      **(c) A youth job development organization as defined in ORS 344.415;**

42      **(d) A shelter-care home, as defined in ORS 418.470, that is a certified foster home;**

43      **(e) A certified foster home;**

44      **(f) A facility that exclusively serves individuals 18 years of age and older;**

45      **(g) A facility that primarily serves both adults and children but requires that any child**

1   **must be accompanied at all times by at least one custodial parent or guardian;**  
2    (b) **An ambulance service as defined in ORS 682.025; or**  
3    (i) **A host home described in ORS 417.803.**  
4    (3) **As used in this section:**  
5      (a) **“County program” means any county-operated program that provides care or services**  
6      **to children:**

7       (A) **In the custody of the department or the Oregon Youth Authority; or**  
8       (B) **Under a contract with the Oregon Health Authority.**  
9      (b) **“County program” does not include any local juvenile detention facility that receives**  
10     **state services provided and coordinated by the Department of Corrections under ORS 169.070.**

11     **SECTION 8.** ORS 418.240 is amended to read:

12     418.240. (1) *[All child-caring agencies shall obtain from the Department of Human Services a license, certificate or other authorization to provide]* **The Department of Human Services shall adopt rules, consistent with this section, for the licensing, certification or authorization of providers described in ORS 418.215 of care or services to children under ORS 418.205 to 418.327, 418.241, 418.470, 418.475 or 418.950 to 418.970. The rules must set forth, at a minimum, the following criteria for issuance, renewal, suspension or revocation of, or for placing conditions on, a license, certificate or authorization under this section [must] and:**

13       [(a) *Be set forth in rules adopted by the department;*]

14       **(a) Require that the child-caring agency be:**

15          (A) **Duly incorporated under the corporation laws of any state; or**

16          (B) **A county program as defined in ORS 418.215;**

17          (b) Include the full compliance requirements set forth in subsection (2) of this section; and

18          (c) Include, but [are not] **not be** limited to, the following:

19           (A) The fitness of the child-caring agency.

20           (B) The employment of capable, trained or experienced staff that meet minimum staffing requirements.

21           (C) Sufficient financial backing to ensure effective operations.

22           (D) The probability of permanence in the child-caring agency.

23           (E) The care and services provided to the children served will be in their best interests and that of society.

24           (F) That the child-caring agency is or will be in compliance with the standards of care and treatment established in rules adopted by the department.

25     (2)(a) The department may not issue or renew a license, certificate or other authorization to a child-caring agency unless the department finds the agency is or will be in full compliance with all of the following:

26          (A) The agency ensures child and family rights.

27          (B) The agency complies with abuse reporting and investigation requirements.

28          (C) The agency engages in and applies appropriate behavior management techniques.

29          (D) The agency provides adequate furnishings and personal items for children.

30          (E) The agency provides appropriate food services.

31          (F) The agency ensures the safety of children.

32          (G) The agency utilizes approved procedures and protocols for use of medications for children receiving care or services from the agency.

33          (H) The agency or the agency's employees or agents have not engaged in financial mismanage-

1       ment.

2       **(I) The agency provides financial statements as required under ORS 418.255.**

3       [(I)] **(J)** The agency fully and timely corrects violations and maintains standards in accordance  
4 with any plan of correction imposed by the department.

5       [(J)] **(K)** The agency provides access as required under ORS 418.305 to a child or the agency's  
6 premises to the department or the department's employees, investigators, court appointed special  
7 advocates, attorneys for a child or other authorized persons or entities.

8       [(K)] **(L)** The agency provides the department with true copies of records relating to incidents  
9 involving the restraint or involuntary seclusion of children in care as required under ORS 418.526  
10 (2).

11      **(M) The agency complies with ORS 418.519 to 418.532 regarding the use of restraint and  
12 involuntary seclusion on children in care and incident reporting requirements.**

13      (b) The department may suspend, revoke or place conditions on a license, certificate or author-  
14 ization of a child-caring agency if the department finds the agency is not in full compliance with any  
15 one or more of the full compliance requirements listed in paragraph (a) of this subsection.

16      (c) The department must take immediate steps to suspend or revoke the license, certificate or  
17 other authorization of a child-caring agency, if any of the following are found to exist:

18       (A) There has been the death of a child as a result of abuse [or neglect], **neglect or regulatory  
19 noncompliance** on the part of the agency or any of the agency's employees or agents.

20       [(B) *There has been sexual or physical abuse or neglect of a child in the agency's care or custody  
21 that was known to the agency and the agency did not take immediate steps to report the abuse or  
22 neglect and to ensure the child's safety.*]

23       (B) The agency failed to take reasonable action to remedy, prevent or end the abuse of  
24 any child in the agency's care or custody, despite having knowledge that sexual or physical  
25 abuse or neglect of a child in the agency's care or custody was occurring.

26       (C) The [agency] **agency's managers or other relevant employees of the agency** failed to  
27 cooperate fully with any local, state or federal regulatory [entity's investigation] **authority's inves-  
28 tigation or assessment** of the agency or **of** the agency's operations or employees.

29       [(D) *The agency failed to provide financial statements as required under ORS 418.255.*]

30       (d) The department shall take immediate steps to place conditions on or suspend or re-  
31 voke the license, certificate or other authorization of a child-caring agency, if any of the  
32 following are found to exist:

33       (A) The agency's managers or other relevant employees of the agency failed to provide  
34 financial statements as required by ORS 418.255; or

35       (B) The agency failed to provide access to a child in the agency's care or custody as re-  
36 quired by ORS 418.305.

37       [(d)] (e) If any of the circumstances described in paragraph (c) **or** (d) of this subsection exists,  
38 the department may immediately place conditions on the license, certificate or authorization of the  
39 child-caring agency prior to a hearing if, consistent with ORS 183.430, the department finds there  
40 is a serious danger to the public health or safety and sets forth specific reasons for such findings.

41       [(e)] (f) It is grounds to deny issuance or renewal[,] **or** suspend, revoke or place conditions  
42 on a license, certificate or other authorization if the department becomes aware that a child-caring  
43 agency, or the owner, [or operator] **operator or manager** of the agency, has been found by other  
44 state or federal entities to have engaged in financial, civil or criminal misconduct.

45       (3)(a) If the Director of Human Services has taken action under subsection (2)(c) of this section

1 to suspend or revoke a license, certificate or other authorization, the notice of intent to suspend or  
2 revoke may be rescinded if the director determines that the concerns regarding the health and  
3 safety of the children in the child-caring agency's care or custody have been ameliorated and any  
4 conditions placed on the license, certificate or other authorization of the child-caring agency have  
5 been resolved.

6 (b) Fourteen days before rescinding a notice of intent to suspend or revoke, the Director of  
7 Human Services must provide written notice regarding the intent to rescind to the Governor **and**  
8 **the Children's Advocate.** The notice of intent to rescind is a public record and open for inspection  
9 by any person without order of a court. The notice of intent to rescind must include the following  
10 information:

11 (A) The circumstances that led to the notice of intent to suspend or revoke;

12 (B) The actions taken by the child-caring agency, the Department of Human Services, the At-  
13 torney General, the Oregon Youth Authority and the Oregon Health Authority in response to the  
14 circumstances leading to the notice of intent to suspend or revoke;

15 (C) Any penalties, fees or charges made or levied against the child-caring agency; and

16 (D)(i) A complete description of changes that were made at the child-caring agency and the  
17 reasons for the determination that the concerns regarding the health and safety of children in the  
18 child-caring agency's care or custody have been ameliorated or that any conditions placed on the  
19 license, certificate or other authorization of the child-caring agency have been resolved; **and**

20 (ii) **A description of the evidence provided by the child-caring agency that clearly dem-  
21 onstrates its ability to maintain regulatory compliance.**

22 (c) *[In making]* A decision to rescind a notice of intent to suspend or revoke under this  
23 subsection, *[the decision]* must be based solely on the health and safety of the children served by the  
24 child-caring agency. Systemwide capacity of the child welfare system may not be considered as an  
25 element of the decision.

26 (d) For three years after a notice of intent to suspend or revoke is rescinded under this sub-  
27 section, the child-caring agency must apply for a renewal of the child-caring agency's license, cer-  
28 tificate or other authorization on an annual basis.

29 (e) The department must provide the following with copies of a notice of intent to rescind within  
30 five business days of issuing the notice:

31 (A) The Governor; *[and]*

32 (B) **The Children's Advocate; and**

33 *[(B)]* (C) The committees of the Legislative Assembly relating to child welfare.

34 (4) The department may immediately place conditions on any license, certificate or authorization  
35 issued under this section, including but not limited to placing full or partial restrictions on admis-  
36 sion of children, temporary suspension, limitation of operations subject to an intent to revoke and  
37 limitation of operations subject to correction of violations as specified in a plan of correction im-  
38 posed by the department. The department shall immediately notify any state or governmental agency  
39 or unit that has a contract with the child-caring agency to provide care or services to a child, and  
40 the governing board, trustees, owners, managers, operators or other appropriate authorities respon-  
41 sible for the child-caring agency, of conditions placed by the department on the child-caring agency's  
42 license, certificate or authorization under this section.

43 (5) If applicable, an applicant shall submit written proof of compliance with the notification re-  
44 quirements in ORS 336.575.

45 (6) *The department may not charge a fee for inspections leading to decisions regarding, and issu-*

1       ~~ance of, licenses, certifications or authorizations under this section, but may impose fees to cover costs~~  
2       ~~of related inspections done for the department by other governmental agencies.]~~

3       [(7)] **(6)** Except as provided in subsection (3) of this section, a license, certificate or authorization  
4       issued by the department **to a child-caring agency** under this section shall be valid for a period of two years, unless suspended or revoked sooner by the department. However, the department at any time may require amendments to an existing license, certificate or authorization to accommodate changes in the factors upon which the issuance was based.

8       [(8)] **(7)** When a condition exists that seriously endangers or places at risk the health, safety or  
9       welfare of a child who is receiving care or services at a child-caring agency:

10      (a) The director shall issue an interim emergency order without notice, or with reasonable notice under the circumstances, requiring the agency to correct the conditions and ensure the safety of children in the care of the agency. The interim emergency order shall remain in force until a final order, after a hearing, has been entered in accordance with ORS chapter 183.

14      (b) The director may commence an action to enjoin operation of a child-caring agency:

15      (A) If the agency is being operated without a valid license, certificate or other authorization issued under this section; or

17      (B) If the agency fails to comply with a plan of correction imposed by the department or to correct conditions not in conformity with standards as set out in an order issued under paragraph 18 (a) of this subsection, within the time specified in the order.

20      [(9)] **(8)** If the director, the director's designee or the department becomes aware through any means that a child-caring agency, or an owner, operator, **manager** or employee of a child-caring agency, is the subject of an investigation by another state agency, law enforcement agency or federal agency, the director or director's designee shall *[take immediate steps to cause an investigation to take place into the circumstances surrounding the investigation and whether there is a threat to a child, or whether a child is at risk, at the child-caring agency. Upon determination of the level of threat or risk to children at the agency, the director shall take appropriate steps to protect and ensure the health, safety and welfare of children as necessary under the circumstances. Failure to comply with the requirements of this subsection constitutes grounds for a charge of official misconduct in the second degree under ORS 162.405.]* **immediately conduct a complete and thorough assessment of the circumstances surrounding the investigation and determine whether the circumstances threaten the health, safety, rights or welfare of any child in the agency's care or custody. If the director or the director's designee determines there is such a threat, the department shall immediately take appropriate action to ensure the health, safety, rights and welfare of children as necessary under the circumstances. Failure to comply with the requirements of this subsection constitutes grounds for a charge of official misconduct in the second degree under ORS 162.405.**

37      [(10)] **(9)** If the Department of Justice or Bureau of Labor and Industries commences an investigation of a child-caring agency or an owner, operator or employee of a child-caring agency, the Department of Justice or Bureau of Labor and Industries shall notify, inform and regularly update the director, the director's designee or such other personnel in the Department of Human Services designated to receive such information regarding the investigation. The director and the department shall immediately undertake the responsive action required by subsection [(9)] **(8)** of this section upon receiving such notification. Interference with, discouragement of or impediment to the receipt of the notification, information and updates required under this subsection constitutes official misconduct in the second degree under ORS 162.405.

1        [(11)] (10) The Department of Human Services shall adopt rules to implement the provisions of  
 2 this section.

3        **SECTION 9.** ORS 418.248 is amended to read:

4        418.248. (1) A child-caring agency may certify a proctor foster home as a provider of care or  
 5 services for children, **regardless of whether the children are in the custody of the Department**  
 6 **of Human Services, provided the proctor foster home is not required to be licensed by the**  
 7 **department under ORS 418.215.** The child-caring agency may not certify a proctor foster home  
 8 under this section unless the child-caring agency determines that the proctor foster home meets  
 9 minimum standards as established by rules adopted by the Department of Human Services or the  
 10 Oregon Youth Authority, as applicable. The determination that a proctor foster home meets mini-  
 11 mum standards and the certification by the child-caring agency must take place before placement  
 12 of a child in the proctor foster home.

13        (2)(a) Prior to certification as a proctor foster home, an applicant shall provide the department  
 14 or the youth authority, as applicable, and the child-caring agency with a release of information or  
 15 other authorization sufficient to enable the department or the youth authority to release to the  
 16 child-caring agency information about whether there is an ongoing investigation involving the ap-  
 17 plicant, or a finding of substantiated allegations of abuse or neglect by the applicant, related to a  
 18 vulnerable person, including but not limited to a child, elderly person, person with a disability or  
 19 person residing in a long term care facility as defined in ORS 442.015, a residential facility as de-  
 20 fined in ORS 443.400, including but not limited to an assisted living facility, or an adult foster home  
 21 as defined in ORS 443.705. Within 30 days of receipt of a release or authorization under this para-  
 22 graph, the department or the youth authority shall provide the child-caring agency with information  
 23 regarding ongoing investigations involving, or substantiated allegations of abuse or neglect against,  
 24 the applicant.

25        (b) In addition to the requirements of paragraph (a) of this subsection, an applicant must disclose  
 26 in writing to the department or the youth authority, as applicable, and the child-caring agency any  
 27 criminal conviction, imposition of a restraining or protective order against the applicant or abuse  
 28 or neglect investigation of the applicant related to a vulnerable person as described in paragraph  
 29 (a) of this subsection.

30        (3) If a decision is made not to certify a proctor foster home under this section for reasons re-  
 31 lated to an ongoing investigation involving the applicant, or findings of substantiated allegations of  
 32 abuse or neglect by an applicant, the child-caring agency shall disclose to the applicant the reasons  
 33 for the denial of certification.

34        (4) The department and the youth authority shall adopt rules to implement the provisions of this  
 35 section.

36        **SECTION 10.** ORS 418.255 is amended to read:

37        ~~418.255. (1) The Department of Human Services shall inspect and supervise all child caring~~  
 38 ~~agencies subject to ORS 418.205 to 418.327, 418.241, 418.470, 418.475 or 418.950 to 418.970 as pro-~~  
 39 ~~vided in this section.~~

40        ~~(2) Inspections of the premises of a child caring agency shall occur no less frequently than once~~  
 41 ~~per year and shall be made at unexpected times, with irregular intervals between inspections and~~  
 42 ~~without previous notice to the agency. Inspections under this subsection shall be limited to premises~~  
 43 ~~where children reside and receive care or services from employees or staff who do not reside on the~~  
 44 ~~premises.~~

45        ~~(3)(a)(A) Except as provided in paragraph (c) of this subsection, a child caring agency subject~~

1 to ORS 418.205 to 418.327, ~~418.241~~, 418.470, 418.475 or 418.950 to 418.970 that has annual  
2 ~~revenues~~ **combined revenues generated in this state and any other state** in excess of \$1 million  
3 shall provide the Department of Human Services~~s~~, *at such times as the department specifies by rule*,  
4 with annual financial statements that have been audited by an independent certified public ac-  
5 countant and a tax compliance certificate issued by the Department of Revenue.

6 **(B) The financial statements and tax compliance certificates described in this paragraph**  
7 **must be provided when the child caring agency applies for a license and subsequently at such**  
8 **times as the department specifies by rule but in no case less often than once per year.**

9 (b) Except as provided in paragraph (c) of this subsection, a child caring agency subject to ORS  
10 418.205 to 418.327, ~~418.241~~, 418.470, 418.475 or 418.950 to 418.970 that has annual **combined rev-**  
11 **ues of \$1 million or less** shall provide the Department of Human Services, upon request or at such  
12 **times as the department specifies by rule**, with financial statements that have been **reviewed by an**  
13 **independent certified public accountant** and a tax compliance certificate issued by the Department  
14 **of Revenue.**

15 (c) A child caring agency subject to ORS 418.205 to 418.327, ~~418.241~~, 418.470, 418.475 or 418.950  
16 to 418.970 that provides adoption placement services but does not provide care to a child and does  
17 not receive public funds shall provide the Department of Human Services, upon request or at such  
18 **times as the department specifies by rule**, with a tax compliance certificate issued by the Depart-  
19 **ment of Revenue.**

20 (d) **Information in financial statements and tax compliance certificates submitted to the Depart-**  
21 **ment of Human Services under this subsection is a public record and open for inspection by any**  
22 **person without order of a court.**

23 (e) The Department of Revenue shall adopt rules to implement the provisions of this subsection  
24 pertaining to tax compliance certificates.

25 (4) The Department of Human Services may conduct an audit, including a forensic audit, of any  
26 child caring agency subject to ORS 418.205 to 418.327, ~~418.241~~, 418.470, 418.475 or 418.950 to 418.970  
27 to determine compliance with ORS 418.205 to 418.327, ~~418.241~~, 418.470, 418.475 or 418.950 to 418.970.  
28 The department may, upon request at any time, inspect and audit the books and records, including  
29 but not limited to financial records, of the agency. An audit or inspection under this subsection shall  
30 be at the expense of the department.

31 (5) Failure to permit an inspection, whether of the premises or of the books and records of the  
32 child caring agency, or failure to provide the financial statements, as required by this section is  
33 grounds for the immediate suspension or revocation of a license, certificate or authorization under  
34 ORS 418.240 and for the denial of issuance of a license, certificate or other authorization by the  
35 Department of Human Services.

36 (6) The Department of Human Services may advise the operators, owners and employees of  
37 child caring agencies subject to ORS 418.205 to 418.327, ~~418.241~~, 418.470, 418.475 or 418.950 to  
38 418.970 in regard to approved methods of child care, recommended housing and equipment and ap-  
39 priate methods to maintain adequate records of operations.

40 (7) In addition to advice provided under subsection (6) of this section, the Department of Human  
41 Services shall provide training regarding appropriate ethnic hair and skin care for children of  
42 African American, Hispanic, Native American, Asian American or multiracial descent to:

43 (a) Child caring agencies;  
44 (b) Persons providing treatment, care or services under the supervision of a child caring agency,  
45 and

1       (c) ~~Prospective adoptive parents of a child in foster care.~~  
 2       (8) ~~The Department of Human Services shall adopt rules to implement the provisions of this~~  
 3 ~~section.~~

4       **SECTION 11.** ORS 418.258 is amended to read:

5       418.258. [(1) *When the Department of Human Services becomes aware of a report of suspected child*  
 6 *abuse of a child in care, whether in the form of an allegation, complaint or formal report made under*  
 7 *this section, and whether made directly to the Director of Human Services, the department or an em-*  
 8 *ployee of the department, to the centralized child abuse reporting system described in ORS 418.190,*  
 9 *through the mandatory abuse reporting process set forth in ORS 419B.005 to 419B.050 or otherwise,*  
 10 *the department shall immediately:*]

11       (1)(a) **For purposes of this subsection, the Department of Human Services becomes aware**  
 12 **of allegations or concerns of suspected abuse when the department learns of the allegations**  
 13 **or concerns through any means, including but not limited to the centralized child abuse re-**  
 14 **porting system described in ORS 418.190, through a report made directly to the Director of**  
 15 **Human Services or any employee of the department or during a public meeting.**

16       (b) **When the department becomes aware of allegations or concerns of suspected abuse**  
 17 **of a child in care, the department shall immediately:**

18       [(a)] (A) Notify appropriate personnel within the department ~~or the Oregon Youth~~  
 19 ~~Authority~~, including but not limited to employees responsible for licensing, certifying or authorizing  
 20 child-caring agencies, ~~adjudicated youth foster homes~~, certified foster homes and developmental  
 21 disabilities residential facilities.

22       [(b)] (B) Notify any governmental agency that has a contract with the child-caring agency, ~~ad-~~  
 23 ~~judicated youth foster home~~, certified foster home or developmental disabilities residential facility  
 24 to provide care or services to the child in care.

25       [(c)] (C) Notify the placement authorities of any other state that retains jurisdiction over a child  
 26 in care receiving care or services from the child-caring agency, ~~adjudicated youth foster home~~,  
 27 certified foster home or developmental disabilities residential facility.

28       [(d)] (D) Commence an investigation to determine whether the report of suspected abuse is  
 29 substantiated, unsubstantiated or inconclusive under ORS 418.259 if:

30       [(A)] (i) The reported abuse occurred in this state;

31       [(B)] (ii) The reported abuse occurred in any other state and involves a child in care placed by  
 32 the department in an out-of-state child-caring agency; or

33       [(C)] (iii) The reported abuse occurred in any other state and the department reasonably be-  
 34 lieves that the reported abuse poses a danger to the health, safety or wellness of a child in care  
 35 placed by the department in an out-of-state child-caring agency.

36       [(e)] (E) Report to a law enforcement agency any crime that the department has reason to be-  
 37 lieve has occurred with respect to a child in care or at a child-caring agency, proctor foster home,  
 38 ~~adjudicated youth foster home~~, certified foster home or developmental disabilities residential fa-  
 39 cility even if the suspected crime is not related to a report of abuse made under this section.

40       (2)(a) As a condition for issuance or renewal of a license, certificate or authorization to a  
 41 child-caring agency, ~~adjudicated youth foster home~~, certified foster home or developmental dis-  
 42 abilities residential facility, the department ~~or the Oregon Youth Authority~~ shall require and verify  
 43 that the child-caring agency, ~~adjudicated youth foster home~~, certified foster home or develop-  
 44 mental disabilities residential facility has **adopted, follows and enforces** procedures and protocols  
 45 that:

1       (A) Require employees of the child-caring agency, a proctor foster home certified by the child-  
2 caring agency, ~~the adjudicated youth foster home~~, the certified foster home or the developmental  
3 disabilities residential facility to immediately report suspected abuse of a child in care to the *[di-  
4 rector, the director's designee or personnel within the department who have been specifically designated  
5 to receive reports of abuse of children in care]* **centralized child abuse reporting system described  
6 in ORS 418.190**;

7       (B) Mandate that the child-caring agency, ~~adjudicated youth foster home~~, certified foster  
8 home or developmental disabilities residential facility provide an annual training and written mate-  
9 rials that include information about the centralized child abuse reporting system described in ORS  
10 418.190, and that the agency, home or facility advise and educate employees of the child-caring  
11 agency and any proctor foster home certified by the child-caring agency, of the certified foster home  
12 or of the developmental disabilities residential facility of the duty under this section and ORS  
13 419B.005 to 419B.050 to report abuse of a child in care; and

14       (C) Inform employees of child-caring agencies, proctor foster homes, ~~adjudicated youth foster  
15 homes~~, certified foster homes and developmental disabilities residential facilities that the duty to  
16 report abuse of a child in care is personal to the employee and that the duty is not fulfilled by re-  
17 porting the abuse to the owner, operator or any other employee of the child-caring agency, proctor  
18 foster home, ~~adjudicated youth foster home~~, certified foster home or developmental disabilities  
19 residential facility even if the owner, operator or other employee reports the abuse of a child in care  
20 to the director, the director's designee or the department.

21       (b) A child-caring agency, ~~adjudicated youth foster home~~, certified foster home or develop-  
22 mental disabilities residential facility need not develop and maintain procedures and protocols or  
23 provide an annual training and written materials under paragraph (a) of this subsection if the  
24 agency, home or facility does not have any employees, staff or volunteers.

25       (3) Interference or hindering an investigation of abuse of a child in care, including but not lim-  
26 ited to the intimidation of witnesses, falsification of records or denial or limitation of interviews  
27 with the child in care who is the subject of the investigation or with witnesses, may constitute  
28 grounds for the revocation, suspension or placing of conditions on the license, certificate or other  
29 authorization of a child-caring agency, proctor foster home, ~~adjudicated youth foster home~~, certi-  
30 fied foster home or developmental disabilities residential facility.

31       (4)(a) Anyone, including but not limited to **a child in care or** an employee of a child-caring  
32 agency, proctor foster home, ~~adjudicated youth foster home~~, certified foster home or develop-  
33 mental disabilities residential facility, who makes a report of suspected abuse of a child in care *[to  
34 the Governor, the Department of Justice, the Director of Human Services, the director's designee or the  
35 department]* under this section **to the centralized child abuse reporting system described in ORS  
36 418.190 or expresses concern about situations involving abuse or the department's response  
37 to allegations of abuse** in good faith and who has reasonable grounds for the making of the report  
38 shall have immunity:

39       (A) From any liability, civil or criminal, that might otherwise be incurred or imposed with re-  
40 spect to the making or content of such report **or expression of concern**;

41       (B) From disciplinary action taken by the person's employer; and

42       (C) With respect to participating in any judicial proceeding resulting from or involving the re-  
43 port **or expression of concern**.

44       (b) A person making a report under this section may include references to otherwise confidential  
45 information for the sole purpose of making the report, and any such disclosure must be protected

1 from further disclosure to other persons or entities for any other purpose not related to the making  
2 of the report.

3 **SECTION 12.** ORS 418.259 is amended to read:

4 418.259. (1) The investigation conducted by the Department of Human Services under ORS  
5 418.258 must result in one of the following findings:

6 (a) That the report is substantiated. A report is substantiated when there is reasonable cause  
7 to believe that the abuse of a child in care occurred.

8 (b) That the report is unsubstantiated. A report is unsubstantiated when there is no evidence  
9 that the abuse of a child in care occurred.

10 (c) That the report is inconclusive. A report is inconclusive when there is some indication that  
11 the abuse occurred but there is insufficient evidence to conclude that there is reasonable cause to  
12 believe that the abuse occurred.

13 (2) When a report is received under ORS 418.258 alleging that a child in care may have been  
14 subjected to abuse, the department shall *[notify the case managers for the child, the attorney for the  
15 child, the child's court appointed special advocate, the parents or guardians of the child,]* **immediately  
16 notify the child's case managers, attorney, court appointed special advocate, developmental  
17 disabilities coordinator, parents or guardians**, any attorney representing a parent or guardian  
18 of the child and any governmental agency that has a contract with the child-caring agency or de-  
19 velopmental disabilities residential facility to provide care or services to the child that a report has  
20 been received.

21 (3)(a) The department **[may] shall** interview the child in care who is the subject of suspected  
22 abuse and any witnesses, including other children, without the presence of employees of the child-  
23 caring agency, proctor foster home or developmental disabilities residential facility, the provider of  
24 services at a certified foster home **or adjudicated youth foster home** or department personnel. The  
25 department shall inform the child in care that the child may have the child's parent or guardian, if  
26 the child has not been committed to the custody of the department or the Oregon Youth Authority,  
27 **[or]** attorney **or court appointed special advocate** present when participating in an interview  
28 conducted in the course of an abuse investigation.

29 (b) When investigating an allegation of inappropriate use of restraint or involuntary seclusion,  
30 the department shall:

31 (A) Conduct the interviews described in paragraph (a) of this subsection;

32 (B) Review all relevant incident reports related to the child in care and other reports related  
33 to the restraint or involuntary seclusion of the child in care;

34 (C) Review any audio, video or photographic recordings of the restraint or involuntary seclusion,  
35 including the circumstances immediately before and following the incident;

36 (D) During an interview with the child in care who is the subject of the suspected abuse, ask  
37 the child about whether they experienced any reportable injury or pain as a result of the restraint  
38 or involuntary seclusion;

39 (E) Review the training records related to all of the individuals who were involved in the use  
40 of restraint or involuntary seclusion **to determine whether each individual that imposed the  
41 restraint was currently certified in a program approved by the department; [and]**

42 (F) Make all reasonable efforts to conduct **[trauma-informed]** **trauma-responsive** interviews of  
43 each child witness, including the child in care who is the subject of suspected abuse **[unless the in-  
44 vestigator makes a specific determination that the interview may significantly traumatize the child and  
45 is not in the best interests of the child.]; and**

1       **(G) If a child who experienced or witnessed the suspected abuse is not interviewed, make**  
2       **a specific note about the reason why the interview was not conducted and what reasonable**  
3       **efforts were made to interview the child.**

4       **(c) The department may not substantiate an allegation of abuse by an individual who was**  
5       **involved in the use of a restraint solely because the individual did not possess a current**  
6       **certification to impose the restraint.**

7       (4) The department shall notify the following when a report of abuse is substantiated:

8           (a) The Director of Human Services.

9           (b) Personnel in the department responsible for the licensing, certificate or authorization of  
10       child-caring agencies.

11          (c) The department's lead personnel in that part of the department that is responsible for child  
12       welfare generally.

13          (d) With respect to the child in care who is the subject of the abuse report and investigation,  
14       the case managers for the child, the attorney for the child, the child's court appointed special ad-  
15       ocate, the parents or guardians of the child, any attorney representing a parent or guardian of the  
16       child and any governmental agency that has a contract with the child-caring agency to provide care  
17       or services to the child.

18          (e) The parents or guardians of the child in care who is the subject of the abuse report and in-  
19       vestigation if the child in care has not been committed to the custody of the department [*or the*  
20       *youth authority. Notification under this paragraph may not include any details or information other*  
21       *than that a report of abuse has been substantiated.*].

22          (f) Any governmental agency that has a contract with the child-caring agency to provide care  
23       or services to a child in care.

24          (g) The local citizen review board established by the Judicial Department under ORS 419A.090.

25          **(h) The Children's Advocate.**

26          (5) The department shall report on a quarterly basis to the interim legislative committees on  
27       child welfare for the purposes of public review and oversight of the quality and safety of child-caring  
28       agencies, **adjudicated youth foster homes**, certified foster homes and developmental disabilities  
29       residential facilities that are licensed, certified or authorized by the department in this state, [and]  
30       of proctor foster homes that are certified by the child-caring agencies[.], **of out-of-state child-**  
31       **caring agencies in which the department has placed any children and of any location that the**  
32       **department has placed a child on a temporary basis.** Information provided in reports under this  
33       subsection may not contain the name or any identifying information of a child in care but must  
34       contain all of the following:

35           **(a) If the department conducted an investigation pursuant to ORS 418.258 that resulted**  
36       **in a finding during that quarter that a report of abuse was substantiated:**

37           **(A) If the investigation involved a proctor foster home, developmental disabilities resi-**  
38       **dential facility or child-caring agency, including an out-of-state child-caring agency, the**  
39       **name of the proctor foster home, developmental disabilities residential facility or child-caring**  
40       **agency;**    *If the investigation involved a child awaiting placement, an indication that the abuse occurred at an unspecified*  
41       *location; and*

42           **(B) If the investigation involved a child whom the department had placed on a temporary**  
43       **basis in a commercial location, identifying information regarding the commercial location;**

44           **[a] (C) [The name of any child-caring agency, including an out-of-state child-caring agency,**  
45       **proctor foster home or developmental disabilities residential facility, or,] If the investigation involved**  
46       **a certified foster home**, provided there are five or more certified foster homes in the county, the

1 name of the county where a certified foster home is located[*, where the department conducted an*  
2 *investigation pursuant to ORS 418.258 that resulted in a finding that the report of abuse was sub-*  
3 *stantiated during that quarter*]; and

4 ~~(D) If the investigation involved an adjudicated youth foster home, provided there are five~~  
5 ~~or more adjudicated youth foster homes in the county, the name of the county where an~~  
6 ~~adjudicated youth foster home is located;~~

7 (b) The approximate date that the abuse occurred;  
8 (c) The nature of the abuse and a brief narrative description of the abuse that occurred;  
9 (d) Whether the abuse resulted in a reportable injury, sexual abuse or death;  
10 (e) Corrective actions taken or ordered by the department and the outcome of the corrective  
actions; and

12 (f) Information the department received in that quarter regarding any substantiated allegations  
13 of child abuse made by any other state involving a congregate care residential setting, as defined  
14 in ORS 418.322, in which the department has placed Oregon children.

15 (6) The department's quarterly report under subsection (5) of this section must also contain all  
16 of the following, **including incidents occurring in out-of-state facilities**:

17 (a) The total number of restraints used in programs that quarter;  
18 (b) The total number of programs that reported the use of restraints of children in care that  
quarter;  
20 (c) The total number of individual children in care who were placed in restraints by programs  
21 that quarter;  
22 (d) The number of reportable injuries to children in care that resulted from those restraints;  
23 (e) The number of incidents in which an **at least one** individual who **restrained a child in care**  
24 **in a program** was not appropriately trained in the [*use of the restraint used on a child in care in a*  
25 *program; and*] **type of restraint used**;

26 [*(f) The number of incidents that were reported for potential inappropriate use of restraint.*]

27 (f) **The total number of individuals who restrained children in care in the incidents de-**  
28 **scribed in paragraph (e) of this subsection who were not appropriately trained in the types**  
29 **of restraint used;**

30 (g) **The number of incidents that were reported for inappropriate use of restraint of a**  
31 **child in care to the centralized child abuse reporting system described in ORS 418.190;**

32 (h) **The number of incidents in which a restraint prohibited under ORS 418.521 was used;**

33 (i) **A description of the actions taken by the division of the department responsible for**  
34 **licensure or certification in response to regulatory violations related to the use of restraint**  
35 **or involuntary seclusion, including the number of licensing complaint investigations initiated**  
36 **and any conditions, required trainings or civil penalties that were imposed as a result of**  
37 **failure to be in compliance with regulations related to the use of restraint or involuntary**  
38 **seclusion;**

39 (j) **The total number of allegations of abuse of children in care that had an inconclusive**  
40 **finding in that quarter, disaggregated by setting;**

41 (k) **The total number of restraints imposed on Oregon children in care at out-of-state**  
42 **congregate care facilities in that quarter, including the number of children in care that ex-**  
43 **perienced a reportable injury as a result of a physical restraint, disaggregated by facility; and**

44 (L) **The total number of children in care that experienced restraint at an out-of-state**  
45 **congregate care facility in that quarter, including the number of children in care that ex-**

1     **rienced a reportable injury as a result of a physical restraint, disaggregated by facility.**

2       (7) In compiling records, reports and other information during an investigation under ORS  
 3       418.258 (1) and in issuing findings, letters of concern or reprimands, the Director of Human Services  
 4       or the director's designee and the department may not refer to the employee, person or entity that  
 5       is the subject of the investigation as an "alleged perpetrator" but must refer to the employee, person  
 6       or entity as the "respondent."

7       [(8) *As used in this section, "program," "reportable injury" and "restraint" have the meanings*  
 8       *given those terms in ORS 418.519.]*

9       **(8) As used in this section:**

10      **(a) "Developmental disabilities foster home" means a foster home that is subject to ORS**  
 11      **443.400 to 443.455 or 443.830 and 443.835 for children who are under 18 years of age and re-**  
 12      **ceiving developmental disability services.**

13      **(b) "Involuntary seclusion" has the meaning given that term in ORS 418.519.**

14      **(c) "Program" has the meaning given that term in ORS 418.519.**

15      **(d) "Reportable injury" has the meaning given that term in ORS 418.519.**

16      **(e) "Restraint" has the meaning given that term in ORS 418.519.**

17      **SECTION 13.** ORS 418.260 is amended to read:

18      418.260. [(1) *If the Department of Human Services receives a report or otherwise becomes aware*  
 19      *that any suspected or founded abuses, deficiencies, violations or failures to comply with the full com-*  
 20      *pliance requirements described in ORS 418.240 are occurring in a child-caring agency, whether as a*  
 21      *part of the inspections undertaken pursuant to ORS 418.255 or otherwise, the department shall imme-*  
 22      *diately notify appropriate personnel within the department, including but not limited to employees re-*  
 23      *sponsible for licensing, certifying or authorizing child-caring agencies, who shall investigate and take*  
 24      *appropriate action without undue delay, with primary concern given to the health, safety and welfare*  
 25      *of the children for whom the child-caring agency is responsible. The department may notify law*  
 26      *enforcement agencies as necessary to coordinate and assist in the investigation and enforcement of*  
 27      *corrective actions undertaken by the department. If the child-caring agency is known or found to serve*  
 28      *children also served by the Oregon Youth Authority, county juvenile departments or developmental*  
 29      *disabilities services within the department, the department shall notify those entities of the report or*  
 30      *suspected or founded abuses, deficiencies, violations or failures.]*

31      [(2) *If the department finds, after investigation by the department or law enforcement agencies, that*  
 32      *the abuses, deficiencies, violations or failures to comply are founded, the department may suspend, re-*  
 33      *voke or place conditions on the license, certificate or other authorization of the child-caring agency.*  
 34      *The conditions placed on a license, certificate or authorization may include, but are not limited to,*  
 35      *placing full or partial restrictions on admission of children, temporary suspension, limitation of oper-*  
 36      *ations subject to an intent to revoke or limitation of operations subject to correction of violations as*  
 37      *specified in a plan of correction. If the department imposes a plan of correction, and the corrections*  
 38      *are not made within 45 days from the effective date of the plan of correction, the department may im-*  
 39      *mediately suspend or revoke the license, certificate or authorization of the child-caring agency. The*  
 40      *department shall immediately notify any governmental agency that has a contract with the child-caring*  
 41      *agency to provide care or services to a child of any suspension or revocation of, or conditions placed*  
 42      *on, the license, certificate or other authorization of the child-caring agency.]*

43      **(1) The Department of Human Services shall:**

44       **(a) Conduct a complete and detailed review of each application for an initial or renewed**  
 45       **child-caring agency license, certification or other authorization; and**

1       (b) Monitor the ongoing regulatory compliance of a child-caring agency by, at a mini-  
2 mum, responding to and assessing reports or allegations of noncompliance.

3       (2) If the department becomes aware by any means of an actual or suspected failure of  
4 a child-caring agency to maintain substantial regulatory compliance or full compliance with  
5 requirements related to the health, safety, welfare or rights of children in care, the depart-  
6 ment shall immediately:

7       (a) Ensure that the individuals with the department responsible for monitoring the  
8 child-caring agency are notified; and

9       (b) Ensure that the individuals notified under paragraph (a) of this subsection conduct a  
10 complete and detailed assessment to determine whether the child-caring agency is in com-  
11 pliance.

12       (3) If the department finds that the child-caring agency is not in compliance, the de-  
13 partment shall take immediate and appropriate action to ensure that the child-caring agency  
14 comes into compliance. The action may include, but need not be limited to, one or more of  
15 the following:

16       (a) Revoking or temporarily suspending a license, certificate or other authorization;

17       (b) Placing conditions on the license, certificate or other authorization, including but not  
18 limited to placing a full or partial restriction on the admission of children;

19       (c) Imposing a limitation of operations subject to an intent to revoke;

20       (d) Imposing a limitation of operations subject to a correction of the violations as speci-  
21 fied in a plan of correction;

22       (e) Subjecting the child-caring agency to enhanced oversight, ~~including on-site super-~~  
23 ~~sight by the department~~;

24       (f) Requiring additional training for the employees or agents of the child-caring agency;  
25 or

26       (g) Imposing fines or civil penalties.

27       (4) When determining the action to take in response to noncompliance of a child-caring  
28 agency, the department shall:

29       (a) Ensure all necessary actions are taken to protect the health, safety, rights and wel-  
30 fare of children in care and the general public;

31       (b) Consider whether the violation is temporary or systemic;

32       (c) Consider whether this is a repeat violation or part of a pattern of frequent or ongoing  
33 violations;

34       (d) Consider the timeliness and thoroughness of the child-caring agency's cooperation  
35 with the department in its thorough assessment of the concerns; and

36       (e) Consider any unique circumstances, other than system capacity, that impact the  
37 noncompliance.

38       (5) If the department imposes a plan of correction, and the corrections are not made  
39 within 45 days from the effective date of the plan of correction, the department may imme-  
40 diately take appropriate action on the child-caring agency's license, certificate or other au-  
41 thorization.

42       (6) The department may not take action to suspend or revoke a child-caring agency's li-  
43 cense, certification or authorization unless:

44       (a) The violation or violations pose an imminent risk to the health, safety, rights or  
45 welfare of children in care, the general public or staff of the facility;

1       **(b) The violation or violations are part of a pattern of frequent or repeated noncompli-**  
2       **ance;**  
3       **(c) The department first took less punitive actions and the child-caring agency failed to**  
4       **comply or failed to maintain compliance; or**  
5       **(d) The suspension or revocation is otherwise authorized or required by state or federal**  
6       **law.**

7       [(3)] **(7)** If the department determines at any time during or after an investigation that the  
8       abuses, deficiencies, violations or failures to comply are or threaten a serious danger to any child  
9       or to the public, or place a child at risk with respect to the child's health, safety or welfare, the  
10      department may immediately suspend or revoke the child-caring agency's license, certificate or au-  
11      thorization, subject to the provisions of ORS chapter 183.

12      **(8)** The department shall immediately notify **the parents or guardians privately obtaining**  
13      **services or care for their children from the child-caring agency** and any governmental agency  
14      that has a contract with the child-caring agency to provide care or services to a child of any sus-  
15      pension or revocation of the license, certificate or other authorization of the child-caring agency  
16      under *[this]* subsection **(7) of this section** and of any conditions placed on the child-caring agency's  
17      license, certificate or authorization pursuant to ORS 418.240. The department shall immediately re-  
18      port the alleged deficiencies or violations to the governmental agency and the governing board re-  
19      sponsible for the oversight of the child-caring agency.

20      [(4)] **(9)** If the department determines that the abuses, deficiencies, violations or failures to  
21      comply are founded and the department imposes a plan of correction that the child-caring agency  
22      does not comply with in the time allotted for correction, the department shall immediately **post**  
23      **notice of the failure to comply on the department's website and** notify the following of the  
24      failure of the child-caring agency to comply with the plan of correction:

25      [(a) *The Legislative Assembly or the interim committees of the Legislative Assembly relating to*  
26      *child welfare.*]

27      [(b)] **(a)** Members of the governing board responsible for the child-caring agency.

28      [(c)] **(b)** Any governmental agency that has a contract with the child-caring agency to provide  
29      care or services to a child.

30      **(c) The parents or guardians of any child in care that is privately placed in the child-**  
31      **caring agency by the parents or guardians.**

32      [(5)] **(10)** Any employee of the department that has reasonable cause to believe that a child-  
33      caring agency has *[committed an abuse or]* incurred a deficiency or violation, or that grounds for  
34      immediate suspension or revocation of a license, certificate or authorization exist under ORS  
35      418.240, and that such abuse, deficiency, violation or grounds are or threaten a danger to any child  
36      at the child-caring agency or to the public, or place a child at risk with respect to the child's health,  
37      safety or welfare, *[is required to]* **shall** immediately inform the Director of Human Services, the  
38      director's designee or such other personnel in the department designated to receive such informa-  
39      tion. Upon receipt of an employee report under this subsection, the director and department per-  
40      sonnel shall immediately *[commence an investigation and]* **conduct a complete and detailed**  
41      **assessment or an investigation and** take all reasonably prudent and necessary actions to ensure  
42      the health, safety and welfare of children at the child-caring agency. Failure to commence an in-  
43      vestigation *[and]* **or** take actions as required by this subsection constitutes official misconduct in the  
44      second degree under ORS 162.405.

45      **(11) An employee's duty to report under this section is in addition to, and not in lieu of,**

1 the employee's duty to report suspected abuse under ORS 419B.010.

2 ~~(12) The department shall post a notice of any actions taken under subsection (3) of this~~  
 3 ~~section on its website that provides information to the public about the licensure of regulated~~  
 4 ~~entities. The notice must remain posted for not less than 24 months.~~

5 ~~(13) If the noncompliance involved the use of restraint or seclusion or the sufficiency of~~  
 6 ~~an emergency preparedness plan at a nonhospital facility providing psychiatric inpatient~~  
 7 ~~services for individuals under 21 years of age, the department shall immediately notify the~~  
 8 ~~individual at the Oregon Health Authority responsible for conducting health care regulation~~  
 9 ~~surveys for the Centers for Medicare and Medicaid Services.~~

10 **SECTION 14.** ORS 418.327 is amended to read:

11 418.327. (1) Upon finding that the facilities and operation of a private residential boarding school  
 12 meet the standards of the Department of **Human Services** for the physical health, care and safety  
 13 of the children, the department shall issue a license to operate the school. The license shall be valid  
 14 for a period of two years, unless sooner suspended or revoked by the department pursuant to the  
 15 provisions of ORS 418.240. However, the department at any time may require amendments to an  
 16 existing license to accommodate changes in the factors upon which the issuance was based.

17 (2) The department may not charge a fee for inspections leading to decisions regarding, and is-  
 18 suance of, licenses under this section, but may charge fees to cover costs of inspections done by  
 19 other governmental agencies for the department.

20 (3) The department may place conditions on any license issued under this section in accordance  
 21 with the provisions of ORS 418.240, including but not limited to placing full or partial restrictions  
 22 on admission of children, temporary suspension, limitation of operations subject to an intent to re-  
 23 voke and limitation of operations subject to correction of violations as specified in a plan of cor-  
 24 rection imposed by the department.

25 (4) No person or organization shall operate a private residential boarding school without having  
 26 a current, valid license issued by the department.

27 (5) Any person, including the Director of Human Services, may file a complaint with the de-  
 28 partment alleging that children attending a private residential boarding school, or that children  
 29 within the control of any other organization that provides boarding or residential programs, are not  
 30 receiving shelter, food, guidance, training or education necessary to the health, safety, welfare or  
 31 social growth of the children or necessary to serve the best interests of society.

32 (6) The department shall immediately investigate complaints made under subsection (5) of this  
 33 section in the manner provided under ORS 418.205 to 418.327.

34 (7) The Superintendent of Public Instruction shall cooperate with the department upon request  
 35 by advising the department as to whether or not the educational program conducted at the private  
 36 residential boarding school meets minimum standards required of public educational institutions.

37 (8) Nothing in this section applies to public or private institutions of higher education, commu-  
 38 nity colleges, common or union high school districts that provide board and room in lieu of trans-  
 39 portation or any other child-caring program already subject to state licensing procedures by any  
 40 agency of this state.

41 (9) As used in this section, "private residential boarding school" means:

42 (a) A private school providing residential care in combination with academic therapeutic  
 43 ~~or disability related supports~~ <sup>education and developmental</sup> care, including but not limited to treatment for emotional, behavioral or mental health dis-  
 44 turbances; or

45 (b) A private school providing residential care that is primarily engaged in educational

1 **work.**

2

3 **OUT OF STATE PLACEMENTS OF CHILDREN**

4

5 **SECTION 15.** ORS 418.322 is amended to read:

6 418.322. (1) As used in this section:

7 (a) "Congregate care residential setting" means any setting that cares for more than one child  
8 or ward and is not a setting described in [ORS 418.205 (2)(c)(A), (D), (E) or (F) or (10)] **ORS 418.205**  
9 **(8) or 418.215 (2)(a), (c), (d), (e), (f) or (g).**

10 (b) "Sex trafficking" means the recruitment, harboring, transportation, provision, obtaining, pa-  
11 tronizing or soliciting of a person under 18 years of age for the purpose of a commercial sex act,  
12 as defined in ORS 163.266, or the recruitment, harboring, transportation, provision or obtaining of  
13 a person over 18 years of age using force, fraud or coercion for the purpose of a commercial sex  
14 act, as defined in ORS 163.266.

15 (2) The Department of Human Services may place a child or ward in a congregate care resi-  
16 dential setting only if the setting is:

17 (a) A child-caring agency[, as defined in ORS 418.205,] a hospital, as defined in ORS 442.015, or  
18 a rural hospital, as defined in ORS 442.470; and

19 (b) A qualified residential treatment program [described in ORS 418.323].

20 (3) Notwithstanding subsection (2) of this section, the department may place a child or ward in  
21 a child-caring agency that is not a qualified residential treatment program if:

22 (a) The child-caring agency is providing prenatal, postpartum or parenting supports to the child  
23 or ward[.];

24 (b) The child or ward is placed in an independent residence facility described in ORS 418.475  
25 that is licensed by the department as a child-caring agency[.];

26 (c) The child or ward is, or is at risk of becoming, a victim of sex trafficking and the child-caring  
27 agency is providing high-quality residential care and supportive services to the child or ward[.];

28 (d) The Oregon Health Authority has approved the [placement as medically necessary] **services**  
29 **and treatment as medically necessary and medically appropriate** and the child-caring agency:

30 (A) Is a [residential care facility,] **psychiatric residential treatment facility that meets the**  
31 **requirements prescribed by the authority by rule, consistent with all federal requirements**  
32 **for certification as a facility providing inpatient psychiatric services for persons under 21**  
33 **years of age;**

34 (B) Is licensed by the authority and maintains site-specific accreditation from a nationally re-  
35 cognized organization to provide psychiatric treatment to children; and

36 (C) Has an active provider agreement with the Oregon Medicaid program[.];

37 (e) The child-caring agency is an adolescent residential drug and alcohol treatment program li-  
38 censed or certified by the State of Oregon to provide residential care, and the court has approved,  
39 or approval is pending for, the placement in the child-caring agency of each child or ward over  
40 whom the department retains jurisdiction[.];

41 (f) The placement with the child-caring agency is for the purpose of placing the child or ward  
42 in a proctor foster home[.];

43 (g) The child-caring agency is a residential care facility licensed by the department that provides  
44 short-term assessment and stabilization services[.];

45 (h) The child-caring agency is a shelter-care home, as defined in ORS 418.470, that provides

1 short-term assessment and stabilization services[.];

2       (i) The child-caring agency is a homeless, runaway or transitional living shelter licensed by the

3 department that provides short-term assessment and stabilization services[.]; **or**

4       (j) The ward is 18 years of age or older and the child-caring agency is a residential treatment

5 facility or a residential home licensed or certified by the department or the Oregon Health Author-

6 ity.

7       **(4) Notwithstanding subsection (2) or (3) of this section, the department may place a child**

8 **or ward in a congregate care residential setting that is not a child-caring agency or a qual-**

9 **ified residential treatment program if:**

10       (a) **The child or ward is 16 years of age or older;**

11       (b) **A licensed health care provider who is acting within the health care provider's scope**

12 **of practice and who is not an employee of the authority has personally assessed the child or**

13 **ward and has determined that the child or ward requires residential treatment for a sub-**

14 **stance use disorder;**

15       (c) **The congregate care residential setting is licensed, certified or otherwise approved**

16 **by the Oregon Health Authority to provide substance use disorder treatment;**

17       (d) **The congregate care residential setting primarily serves individuals who are 18 years**

18 **of age or older; and**

19       (e) **The admission is medically necessary and medically appropriate.**

20       [(4)] **(5) The department may not place a child or ward in a residential care facility or shelter-**

21 **care home described in subsection (3)(g) or (h) of this section:**

22       (a) For more than 60 consecutive days or 90 cumulative days in a 12-month period; or

23       (b) If the residential care facility or shelter-care home also serves youths or adjudicated youths

24 served by the county juvenile department or adjudicated youths committed to the custody of the

25 Oregon Youth Authority by the court.

26       [(5)] **(6) The department may not place a child or ward in a homeless, runaway or transitional**

27 **living shelter described in subsection (3)(i) of this section for more than 60 consecutive or 90 cu-**

28 **mulative days in any 12-month period.**

29       **(7)(a) Notwithstanding subsections (5)(a) and (6) of this section, the department may ex-**

30 **tend the placement of a child or ward that is at least 16 years of age if:**

31       **(A) The child's attorney affirms in writing that, after consultation with the attorney, the**

32 **child or ward does not object to the extension; and**

33       **(B) The court approves the extension.**

34       **(b) An extension under this subsection may last up to 90 cumulative days, and further**

35 **extensions may be granted by the court if the child or ward, after consultation with the at-**

36 **torney of the child or ward, does not object and the child or ward maintains regular attend-**

37 **ance at the local public school.**

38       [(6)] **(8) Calculations of the number of days a child or ward is placed in a shelter-care home**

39 **under subsection (3)(h) of this section or a homeless, runaway or transitional living shelter under**

40 **subsection (3)(i) of this section exclude the days the child or ward is in the shelter-care home or**

41 **shelter if the child or ward:**

42       (a) Accessed the shelter-care home or shelter without the support or direction of the department;

43 and

44       (b) Is homeless or a runaway, as defined by the department by rule.

45       [(7)(a)] **(9)(a) Nothing in this section prohibits the Oregon Youth Authority from placing an ad-**

1 adjudicated youth committed to its custody in a placement that is not a qualified residential treatment  
2 program.

3 (b) Nothing in this section prohibits the Oregon Youth Authority or a county juvenile department  
4 from placing an adjudicated youth or a youth served by the Oregon Youth Authority or the  
5 county juvenile department in shelter care or detention under ORS chapter 419C.

6 **(10) All approvals of the extensions described in subsection (7) of this section must be  
7 made by the director of the division of the department that administers the state child wel-  
8 fare program.**

9 **SECTION 16.** ORS 418.500 is amended to read:

10 418.500. (1) **Except as provided in subsection (2) of this section and** subject to ORS 418.322,  
11 if the Department of Human Services determines that need exists for care and treatment of a child  
12 who is eligible for such care and treatment that is not available through any public or private  
13 agency or facility in this state, it may enter into an agreement with a public or private agency  
14 outside this state for the purchase of care for the child. Such agreements shall contain the matter  
15 described in ORS 418.321 and 418.495 and shall apply to children described therein.

16 **(2)(a) As used in this subsection:**

17 (A) **“Institution for mental disease” means a hospital, nursing facility or other institution  
18 of more than 16 beds, that is primarily engaged in providing diagnosis, treatment or care of  
19 persons with mental diseases, including medical attention, nursing care and related services.**

20 (B) **“Institution for mental disease” does not include a psychiatric residential treatment  
21 facility described in ORS 418.322 (3)(d)(A).**

22 (b) **The department may not place a child or ward in an out-of-state institution for  
23 mental disease.**

#### 24 25 CONFORMING AMENDMENTS 26

27 **SECTION 17.** ORS 329A.030 is amended to read:

28 329A.030. (1) The Department of Early Learning and Care shall establish a Central Background  
29 Registry and may maintain information in the registry through electronic records systems.

30 (2)(a) A subject individual described in subsection (11)(a), (c) or (d) of this section shall apply  
31 to and must be enrolled in the Central Background Registry prior to the provision of care.

32 (b) An individual who has been the subject of a founded or substantiated report of child abuse  
33 shall apply to and must be enrolled in the Central Background Registry prior to providing any of  
34 the types of care identified in ORS 329A.250 (4)(b)(A), (E) or (F) if:

35 (A) The child abuse occurred on or after January 1, 2017, and involved a child who died or  
36 suffered serious physical injury, as defined in ORS 161.015; or

37 (B) The child abuse occurred on or after September 1, 2019, and involved any child for whom  
38 the individual was providing child care, as defined in ORS 329A.250 (4), or care identified in ORS  
39 329A.250 (4)(b)(A), (C), (E), (F) or (G).

40 (c) Notwithstanding paragraph (a) of this subsection, an individual described in paragraph (b)(B)  
41 of this subsection is not required to enroll in the Central Background Registry if more than seven  
42 years has elapsed since the date of the child abuse determination.

43 (3)(a) Upon receiving an application for enrollment in the Central Background Registry, the de-  
44 partment shall complete:

45 (A) A criminal records check under ORS 181A.195;

1       (B) A criminal records check of other registries or databases in accordance with rules adopted  
2 by the Early Learning Council;

3       (C) A child abuse and neglect records check in accordance with rules adopted by the council;  
4 and

5       (D) A foster care certification check and an adult protective services check in accordance with  
6 rules adopted by the council.

7       (b) In addition to the information that the department is required to check under paragraph (a)  
8 of this subsection, the department may consider any other information obtained by the department  
9 that the department, based on rules adopted by the Early Learning Council, determines is relevant  
10 to enrollment in the Central Background Registry.

11      (4) The department shall enroll the individual in the Central Background Registry if the indi-  
12 vidual:

13       (a) Is determined to have no criminal, child abuse and neglect, negative adult protective services  
14 or negative foster home certification history, or to have dealt with the issues and provided adequate  
15 evidence of suitability for the registry;

16       (b) Has paid the applicable fee established pursuant to ORS 329A.275; and

17       (c) Has complied with the rules of the Early Learning Council adopted pursuant to this section.

18      (5)(a) Notwithstanding subsections (3) and (4) of this section, the department may not enroll an  
19 individual in the Central Background Registry if:

20       (A) The individual has a disqualifying condition as defined in rules adopted by the council; or

21       (B) The individual is an exempt prohibited individual, as provided by ORS 329A.252, unless the  
22 individual qualifies for limited enrollment pursuant to rules adopted by the Early Learning Council.

23       (b) If an individual prohibited from enrolling in the registry as provided by this subsection is  
24 enrolled in the registry, the department shall remove the individual from the registry.

25      (6)(a) The department may conditionally enroll an individual in the Central Background Registry  
26 pending the results of a nationwide criminal records check through the Federal Bureau of Investi-  
27 gation if the individual has successfully completed the criminal records check and the child abuse  
28 and neglect records check in this state and in the state of the individual's residence, if other than  
29 Oregon.

30       (b) The department may enroll an individual in the registry subject to limitations identified in  
31 rules adopted by the council.

32      (7) The department may grant limited enrollment in the Central Background Registry to a sub-  
33 ject individual who is a relative caretaker of a child for whom care is provided in a subsidized care  
34 facility, regardless of whether the individual was previously denied enrollment in the Central  
35 Background Registry, if the individual otherwise meets the criteria established in rule by the Early  
36 Learning Council.

37      (8) An enrollment in the Central Background Registry may be renewed upon application to the  
38 department, payment of the fee established pursuant to ORS 329A.275 and compliance with rules  
39 adopted by the Early Learning Council pursuant to this section. However, an individual who is  
40 determined to be ineligible for enrollment in the registry after the date of initial enrollment shall  
41 be removed or suspended from the registry by the department.

42       (9)(a) A child care facility, preschool recorded program or school-age recorded program may not  
43 hire or employ an individual if the individual is not enrolled in the Central Background Registry.

44       (b) Notwithstanding paragraph (a) of this subsection, a child care facility, preschool recorded  
45 program or school-age recorded program may employ on a probationary basis an individual who is

1 conditionally enrolled in the Central Background Registry.

2 (10) The Early Learning Council may adopt any rules necessary to carry out the purposes of this  
3 section, including but not limited to rules regarding expiration and renewal periods and limitations  
4 related to the subject individual's enrollment in the Central Background Registry.

5 (11) As used in this section, "subject individual" means:

6 (a) A subject individual as defined by the Early Learning Council by rule;

7 (b) An individual subject to subsection (2)(b) of this section;

8 (c) A person who applies to be:

9 (A) The operator or an employee of a child care or treatment program;

10 (B) The operator or an employee of a provider under the Oregon Prenatal to Kindergarten  
11 Program under ORS 329.172 to 329.200;

12 (C) The operator or an employee of a federal Head Start program regulated by the United States  
13 Department of Health and Human Services;

14 (D) An individual in a child care facility, preschool recorded program or school-age recorded  
15 program who may have unsupervised contact with children, as determined by the council by rule;

16 (E) A contractor or an employee of the contractor who:

17 (i) Provides early childhood special education or early intervention services pursuant to ORS  
18 343.455 to 343.534; and

19 (ii) Is not subject to the criminal records check requirements of ORS 326.603 or 342.223;

20 (F) A child care provider who is required to be enrolled in the Central Background Registry by  
21 any state agency;

22 (G) A contractor, employee or volunteer of a metropolitan service district organized under ORS  
23 chapter 268 who may have unsupervised contact with children and who is required to be enrolled  
24 in the Central Background Registry by the metropolitan service district;

25 (H) A provider of respite services, as defined in ORS [418.205] **418.215 (2)(b)**, for parents pursuant to a properly executed power of attorney under ORS 109.056 who is providing respite services as a volunteer with a private agency or organization that facilitates the provision of such respite services;

26 (I) The operator or an employee of an early learning program as defined in rules adopted by the  
27 council; or

28 (J) The operator or an employee of a preschool recorded program or a school-age recorded  
29 program; or

30 (d)(A) An individual who operates a subsidized care facility;

31 (B) An individual who has attained 18 years of age and resides in a subsidized care facility; or

32 (C) An individual in a subsidized care facility who has attained 18 years of age and who may  
33 have unsupervised contact with children, as determined by the council by rule.

34 (12)(a) Information provided to a metropolitan service district organized under ORS chapter 268  
35 about the enrollment status of the persons described in subsection (11)(c)(G) of this section shall be  
36 subject to a reciprocal agreement with the metropolitan service district. The agreement must provide for the recovery of administrative, including direct and indirect, costs incurred by the department from participation in the agreement. Any moneys collected under this paragraph shall be deposited in the Child Care Fund established under ORS 329A.273.

37 (b) Information provided to a private agency or organization facilitating the provision of respite  
38 services, as defined in ORS [418.205] **418.215 (2)(b)**, for parents pursuant to a properly executed  
39 power of attorney under ORS 109.056 about the enrollment status of the persons described in sub-

1 section (11)(c)(H) of this section shall be subject to an agreement with the private agency or organization. The agreement must provide for the recovery of administrative, including direct and indirect, costs incurred by the department from participation in the agreement. Any moneys collected under this paragraph shall be deposited in the Child Care Fund established under ORS 329A.273.

6 (c) Information provided to a private agency or organization about the enrollment status of the  
 7 persons described in subsection (11)(c)(I) of this section shall be subject to an agreement with the  
 8 private agency or organization. The agreement must provide for the recovery of administrative, in-  
 9 cluding direct and indirect, costs incurred by the department from participation in the agreement.  
 10 Any moneys collected under this paragraph shall be deposited in the Child Care Fund established  
 11 under ORS 329A.273.

12 **SECTION 18.** ORS 329A.275 is amended to read:

13 329A.275. (1) The Early Learning Council shall adopt rules establishing fees for certification,  
 14 registration and recording under ORS 329A.250 to 329A.450.

15 (2) Subject to prior approval of the Oregon Department of Administrative Services and a report  
 16 to the Legislative Assembly prior to adopting the fees and charges, the fees and charges established  
 17 under ORS 181A.195, 329A.030 and 329A.250 to 329A.450 may not exceed the cost of administering  
 18 the program of the Department of Early Learning and Care pertaining to the purpose for which the  
 19 fee is established, as authorized by the Legislative Assembly within the budget of the Department  
 20 of Early Learning and Care.

21 (3) Notwithstanding subsection (2) of this section and any other provision of this chapter, the  
 22 following fees established by the Early Learning Council under ORS 329A.030 and 329A.250 to  
 23 329A.450 may not exceed:

- 24 (a) For Certified Family Child Care Home Initial Certification, \$25;
- 25 (b) For Certified Family Child Care Home Annual Fee Per Certified Space, \$2;
- 26 (c) For Child Care Center Initial Certification, \$100;
- 27 (d) For Child Care Center Annual Fee Per Certified Space, \$2;
- 28 (e) For Registered Family Child Care Home Registration, \$30;
- 29 (f) For Preschool Recorded Program Recording, \$20;
- 30 (g) For School-Age Recorded Program Recording, \$20;
- 31 (h) For administering a class on child care abuse and neglect issues, \$10; and
- 32 (i) For enrollment in the Central Background Registry, the cost of administering the program,  
 33 including fees for:

- 34 (A) Duplicate enrollment in the Central Background Registry;
- 35 (B) Law Enforcement Data System criminal records check; and
- 36 (C) Federal Bureau of Investigation fingerprint check.

37 (4) The Early Learning Council, by rule, shall waive the fees described in subsection (3)(i) of this  
 38 section for an employee of or volunteer with a private agency or organization that facilitates the  
 39 provision of respite services, as defined in ORS [418.205 (2)(c)(B)] **418.215 (2)(b)**, for parents pursuant  
 40 to a properly executed power of attorney under ORS 109.056.

41 **SECTION 19.** ORS 418.241 is amended to read:

42 418.241. (1) As used in this section:  
 43 (a) "Certified foster home" means a foster home certified by the Department of Human Services  
 44 and subject to ORS 418.625 to 418.645.  
 45 (b) "Child-caring agency" has the meaning given that term under ORS 418.205.

1       (c) "Developmental disabilities residential facility" means a residential facility or foster home  
 2 for children who are 17 years of age or younger and receiving developmental disability services that  
 3 is subject to ORS 443.400 to 443.455, 443.830 and 443.835.

4       (d) "Secure escort" means escort services for a child who poses a risk of elopement or where  
 5 restraint or seclusion may be utilized if the child poses a risk of injury to self or others, and as  
 6 further defined by the department by rule.

7       (e) "Secure nonemergency medical transportation provider" means a private organization or  
 8 person that provides nonemergency medical secure transportation services subject to rules adopted  
 9 by the Oregon Health Authority.

**<sup>“(f) Secure nonmedical transportation services means the secure transportation or secure escort of children by a provider that is not subject to rules adopted by the Oregon Health Authority transporting a child to a congregate care residential program, foster home or developmental disabilities residential facility that is not a hospital or health care facility certified by the authority.”</sup>**

10     (f) "Secure transportation" means the transport of a child in a vehicle specifically equipped to  
 11 prevent a passenger from exiting, eloping or interfering with the operator of the vehicle, and as  
 12 further defined by the department by rule.

13     (g) "Secure transportation services" means the secure transportation or secure escort of chil-  
 14 dren.

15     (2) The department shall adopt rules consistent with this section for the issuance, under ORS  
 16 418.215 and 418.240, of licenses to provide secure <sup>nonmedical</sup> transportation services to providers that are  
 17 child-caring agencies solely as the result of providing secure <sup>nonmedical</sup> transportation services as described in  
 18 ORS [418.205 (2)(a)(B)] **418.215 (1)(b)** and for the issuance of supplemental licenses to child-caring  
 19 agencies described in ORS [418.205 (2)(a)(A)] **418.215 (1)(a)** that also provide secure <sup>nonmedical</sup> transportation  
 20 services as described in ORS [418.205 (2)(a)(B)] **418.215 (1)(b)**.

21     (3)(a) The following secure transportation services providers are exempt from the requirements  
 22 under ORS 418.215 and 418.240 to obtain from the department a license or a supplemental license  
 23 to provide secure transportation services:

24       (A) A secure nonemergency medical transportation provider.

25       (B) A child-caring agency that is licensed, certified or otherwise authorized by the department  
 26 to provide or engage in the provision of care or services to children if:

27           (i) The agency is not primarily engaged in the provision of secure transportation services;

28           (ii) The child being transported or escorted resides in or is otherwise receiving services from  
 29 the agency; and

30           (iii) The transportation or escort is provided consistent with the rules adopted by the depart-  
 31 ment under this section.

32       (C) An ambulance service, as defined in ORS 682.025, that is transporting a child in an ambu-  
 33 lance for the purpose of obtaining medical care for the child.

34       (D) A developmental disabilities residential facility if:

35           (i) The facility is not primarily engaged in the provision of secure transportation services;

36           (ii) The child being transported or escorted resides in or is otherwise receiving services from  
 37 the facility; and

38           (iii) The transportation or escort is provided consistent with the rules adopted by the depart-  
 39 ment under this section.

40       (b) The licensing exemptions under paragraph (a)(B) and (D) of this subsection do not apply if  
 41 the child-caring agency or developmental disabilities residential facility is transporting the child for  
 42 the purposes of placing the child in a facility that is not licensed by the department or in a hospital  
 43 that is not licensed by the authority.

44       (4)(a) A secure transportation services provider, including a provider that is described in sub-  
 45 section (3) of this section, must display the disclosure described in ORS 418.359 (2) in a conspicuous

1 location in any advertisements or promotional materials for its secure transportation services and  
2 in each vehicle it uses to provide its secure transportation services if:

3 (A) The provider is not licensed by the department under ORS 418.215 or 418.240 to provide  
4 secure transportation services; and

5 (B) The provider holds itself out as being an Oregon provider of secure transportation services,  
6 including by registering in this state the vehicles it uses in the provision of its secure transportation  
7 services or representing or otherwise indicating in advertisements or promotional materials that the  
8 provider is based in this state, maintains a mailing address in this state or is licensed, certified or  
9 otherwise authorized by the department or the authority to provide secure transportation services  
10 or similar services in this state.

11 (b) The disclosure under paragraph (a) of this subsection must also indicate that the secure  
12 transportation services provider is not licensed by the department under ORS 418.215 or 418.240 to  
13 provide secure transportation services and, if applicable, the reason for the provider's licensing ex-  
14 emption under subsection (3) of this section.

15 (c) If a provider that is required to make a disclosure under this subsection is authorized by the  
16 authority to provide secure transportation services, the provider's disclosure under this subsection  
17 may, consistent with rules adopted by the authority, also include a statement that the provider is  
18 authorized by the authority to provide secure transportation services.

19 (5) The department and the authority may adopt rules for the provision of secure transportation  
20 services consistent with this section and ORS 418.205 to 418.327, 418.359 and 418.519 to 418.532.

21 **SECTION 20.** ORS 418.246 is amended to read:

22 418.246. (1) In addition to any requirements for licensure established by the Department of Hu-  
23 man Services, each outdoor youth program that is applying for licensure as a child-caring agency  
24 shall file with the department a bond in the amount of \$50,000 or 50 percent of the program's yearly  
25 budget, whichever amount is less. The bond shall be issued by a surety company or an insured in-  
26 stitution, as defined in ORS 706.008, authorized to do business in this state.

27 (2) The bond required under subsection (1) of this section shall be continuous until canceled and  
28 shall remain in full force and unimpaired at all times to comply with this section. The surety or  
29 insured institution shall give the department at least 30 days' written notice before it cancels or  
30 terminates its liability under the bond.

31 (3) An action on the bond may be brought by any person aggrieved by the misconduct of an  
32 outdoor youth program required to be licensed under ORS 418.205 to 418.327.

33 (4) **As used in this section:**

34 (a) **“Outdoor youth program” means a program that provides, in an outdoor living set-  
35 ting, services to children who have behavioral problems, mental health problems or problems  
36 with abuse of alcohol or drugs.**

37 (b) **“Outdoor youth program” does not include any program, facility or activity:**

38 (A) **Operated by a governmental entity;**

39 (B) **Operated by or affiliated with the Oregon Youth Corps;**

40 (C) **Licensed by the Department of Human Services under the authority of the depart-  
41 ment other than ORS 418.205 to 418.327; or**

42 (D) **Operated by a youth job development organization, as defined in ORS 344.415.**

43 **SECTION 21.** ORS 418.330 is amended to read:

44 418.330. (1) As used in this section:

45 (a) **“Child” means:**

1       (A) A person under 18 years of age;

2       (B) A person under 21 years of age if the Department of Human Services determines that the

3       person has a mental or physical disability that warrants the continuation of assistance; or

4       (C) A person who has attained 18 years of age and:

5           (i) On whose behalf payments under this section were received prior to the person attaining 18

6           years of age, provided the person was at least 16 years of age at the time the payments commenced;

7           (ii) Has not attained 21 years of age; and

8           (iii)(I) Is completing secondary education or a program leading to an equivalent credential;

9           (II) Is enrolled in an institution or program that provides post-secondary or vocational edu-

10       cation;

11           (III) Is participating in a program or activity designed to promote, or remove barriers to, em-

12       ployment;

13           (IV) Is employed for at least 80 hours per month; or

14           (V) Is incapable of doing any of the activities described in sub-sub-subparagraphs (I) to (IV) of

15       this sub-subparagraph due to a medical condition, which incapability is supported by regularly up-

16       dated documentation.

17       (b) "Nonrecurring adoption or guardianship expenses" means reasonable and necessary adoption

18       or guardianship fees, court costs, attorney fees and other expenses that are directly related to the

19       adoption of, or establishment of a guardianship for, a child with special needs and that are not in-

20       curred in violation of state or federal law.

21       (2) The department may make payments to adoptive parents or guardians on behalf of a child

22       placed for adoption or establishment of a guardianship by the department, or placed for adoption

23       by an approved child-caring agency, **as defined in ORS 418.205**, when the department determines:

24           (a) The child has special needs because of an impediment to adoptive placement or establishment

25       of a guardianship by reason of the child's physical or mental condition, race, age, or membership in

26       a sibling group; or

27           (b) The adoptive family or guardian is capable of providing the permanent family relationships

28       needed by the child in all respects other than financial, and the needs of the child are beyond the

29       economic ability and resources of the family.

30       (3) Payments to subsidize adoptions or guardianships made under subsection (2) of this section:

31           (a) Shall include payment of nonrecurring adoption or guardianship expenses incurred by or on

32       behalf of adoptive parents or guardians in connection with the adoption of, or establishment of a

33       guardianship for, a child with special needs;

34           (b) May include, but are not limited to, the maintenance costs, medical and surgical expenses,

35       and other costs incidental to the care, training and education of the child;

36           (c) May not exceed the cost of providing comparable assistance in foster care; and

37           (d) May not be made:

38           (A) For a child who has not attained 18 years of age, when the adoptive parents or guardians

39       are no longer legally responsible for the support of the child; or

40           (B) When the child is no longer receiving any support from the adoptive parents or guardians.

41       (4) Adoptive parents or guardians receiving payments under subsection (2) of this section shall

42       inform the department of circumstances that would make the adoptive parents or guardians:

43           (a) Ineligible to receive the payments; or

44           (b) Eligible to receive the payments in a different amount.

45       **SECTION 22.** ORS 418.519 is amended to read:

1       418.519. As used in ORS 418.519 to 418.532:

2       (1) "Certified foster home" means a foster home subject to ORS 418.625 to 418.645.

3       (2) "Chemical restraint" means a drug or medication that is administered to a child in care to  
4 control behavior or restrict freedom of movement.

5       (3) "Child-caring agency" has the meaning given that term in ORS 418.205.

6       (4) "Child in care" has the meaning given that term in ORS 418.257.

7       (5) "Children's emergency safety intervention specialist" means a qualified mental health pro-  
8 fessional licensed to order, monitor and evaluate the use of seclusion and restraint in accredited and  
9 certified facilities that provide intensive mental health treatment services to individuals under 21  
10 years of age.

11       (6) "Developmental disabilities residential facility" has the meaning given that term in ORS  
12 [418.257] **418.205**.

13       (7)(a) "Involuntary seclusion" means the confinement of a child in care alone in a room or an  
14 enclosed space from which the child in care is prevented from leaving by any means.

15       (b) "Involuntary seclusion" does not include age-appropriate discipline, including, but not limited  
16 to, time-out if the time-out is in a setting from which the child in care is not prevented from leaving  
17 by any means.

18       (8) "Mechanical restraint" means a device used to restrict the movement of a child in care or  
19 the movement or normal function of a portion of the body of a child in care.

20       (9) "Proctor foster home" means a foster home certified by a child-caring agency under ORS  
21 418.248.

22       (10) "Program" means:

23       (a) A child-caring agency;

24       (b) A proctor foster home; or

25       (c) A developmental disabilities residential facility that is a residential training home or facility  
26 licensed under ORS 443.415 to serve children under 18 years of age.

27       (11) "Prone restraint" means a restraint in which a child in care is held face down on the floor.

28       (12) "Reportable injury" means any type of injury to a child in care, including but not limited  
29 to rug burns, fractures, sprains, bruising, pain, soft tissue injury, punctures, scratches, concussions,  
30 abrasions, dizziness, loss of consciousness, loss of vision, visual disturbance or death.

31       (13) "Restraint" means the physical restriction of a child in care's actions or movements by  
32 holding the child in care or using pressure or other means.

33       (14) "Secure adolescent inpatient treatment program" means a child-caring agency that is an  
34 intensive treatment services program, as described by the Oregon Health Authority by rule, that  
35 provides inpatient psychiatric stabilization and treatment services to individuals under 21 years of  
36 age who require a secure intensive treatment setting.

37       (15) "Secure children's inpatient treatment program" means a child-caring agency that is an in-  
38 tensive treatment services program, as described by the authority by rule, that provides inpatient  
39 psychiatric stabilization and treatment services to children under 14 years of age who require a  
40 secure intensive treatment setting.

41       (16) "Serious bodily injury" means any significant impairment of the physical condition of an  
42 individual, as determined by qualified medical personnel, whether self-inflicted or inflicted by some-  
43 one else.

44       (17) "Supine restraint" means a restraint in which a child in care is held face up on the floor.

45       **SECTION 23.** ORS 418.625 is amended to read:

1 418.625. As used in ORS 418.625 to 418.645:

2 (1) "Certificate" means a written approval to operate a foster home issued by the Department  
 3 of Human Services on a form prescribed by the department that states the name of the foster parent,  
 4 the address of the premises to which the certificate applies and the maximum number of children  
 5 to be maintained or boarded in the foster home at any one time.

6 (2) "Department" means the Department of Human Services.

7 (3)(a) "Foster home" means any home maintained by a person who has under the care of the  
 8 person in the home any child under the age of 21 years unattended by the child's parent or guardian,  
 9 for the purpose of providing the child with care, food and lodging[, *but does not include*:].

10 **(b) "Foster home" does not include:**

11 [(a)] (A) Any boarding school that is essentially and primarily engaged in educational work;

12 [(b)] (B) Any home in which a child is provided board and room by a school board;

13 [(c)] (C) Any foster home under the direct supervision of a child-caring agency or institution  
 14 certified by the department;

15 [(d)] (D) Any home under the direct supervision of a custodial parent for the purpose of pro-  
 16 viding respite care as defined by rule;

17 [(e)] (E) Any developmental disability child foster home as defined in ORS 443.830; or

18 [(f)] (F) Any home of a provider of respite services, as defined in ORS [418.205] **418.215 (2)(b)**,  
 19 for parents pursuant to a properly executed power of attorney under ORS 109.056.

20 **SECTION 24.** ORS 419B.005 is amended to read:

21 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:

22 (1)(a) "Abuse" means:

23 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child that  
 24 has been caused by other than accidental means, including any injury that appears to be at variance  
 25 with the explanation given of the injury.

26 (B) Any mental injury to a child, which shall include only cruel or unconscionable acts or  
 27 statements made, or threatened to be made, to a child if the acts, statements or threats result in  
 28 severe harm to the child's psychological, cognitive, emotional or social well-being and functioning.

29 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-  
 30 tration and incest, as those acts are described in ORS chapter 163.

31 (D) Sexual abuse, as described in ORS chapter 163.

32 (E) Sexual exploitation, including but not limited to:

33 ~~(i) Allowing, permitting, encouraging or hiring a child to engage in prostitution as de-  
 34 scribed in ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase sex  
 35 with a minor as described in ORS 163.413 or to engage in commercial sexual solicitation as  
 36 described in ORS 167.008;~~

37 ~~(ii)~~ Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163[,  
 38 *and*], or

39 ~~(iii)~~ Any other conduct that allows, employs, authorizes, permits, induces or encourages a  
 40 child to engage in *the performing for people to observe or the photographing, filming, tape recording*  
 41 *or other exhibition that* ~~a performance to be observed, photographed, filmed, tape recorded or~~  
 42 ~~otherwise exhibited, if the performance~~, in whole or in part, depicts sexual conduct or contact,  
 43 as defined in ORS 167.002 or described in ORS 163.665 and 163.670, sexual abuse involving a child  
 44 or rape of a child[, *but not including*].

45 ~~(H) As used in this sub-subparagraph, "conduct" does not include~~ any conduct that is part

1 of any investigation conducted pursuant to ORS 419B.020 or that is designed to serve educational  
2 or other legitimate purposes[; *and*].

3 *(ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution as described in*  
4 *ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase sex with a minor as*  
5 *described in ORS 163.413 or to engage in commercial sexual solicitation as described in ORS*  
6 *167.008.]*

7 (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to  
8 provide adequate food, clothing, shelter or medical care that is likely to endanger the health or  
9 welfare of the child.

10 (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm  
11 to the child's health or welfare.

12 (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

13 (I) Permitting a person under 18 years of age to enter or remain in or upon premises where  
14 methamphetamines are being manufactured.

15 (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, or to the unlawful  
16 manufacturing of a cannabinoid extract, as defined in ORS 475C.009, that subjects a child to a sub-  
17 stantial risk of harm to the child's health or safety.

18 (K) The restraint or seclusion of a child in violation of ORS 339.285, 339.288, 339.291, 339.303  
19 or 339.308.

20 (L) The infliction of corporal punishment on a child in violation of ORS 339.250 (9).

21 (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the  
22 conditions described in paragraph (a) of this subsection.

23 (2) "Child" means an unmarried person who:

24 (a) Is under 18 years of age; or

25 (b) Is a child in care, as defined in ORS 418.257.

26 (3) "Higher education institution" means:

27 (a) A community college as defined in ORS 341.005;

28 (b) A public university listed in ORS 352.002;

29 (c) The Oregon Health and Science University; and

30 (d) A private institution of higher education located in Oregon.

31 (4)(a) "Investigation" means a detailed inquiry into or assessment of the safety of a child alleged  
32 to have experienced abuse.

33 (b) "Investigation" does not include screening activities conducted upon the receipt of a report.

34 (5) "Law enforcement agency" means:

35 (a) A city or municipal police department.

36 (b) A county sheriff's office.

37 (c) The Oregon State Police.

38 (d) A police department established by a university under ORS 352.121 or 353.125.

39 (e) A county juvenile department.

40 (6) "Public or private official" means:

41 (a) Physician or physician associate licensed under ORS chapter 677 or naturopathic physician,  
42 including any intern or resident.

43 (b) Dentist.

44 (c) School employee, including an employee of a higher education institution.

45 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide

1 or employee of an in-home health service.

2 (e) Employee of the Department of Human Services, Oregon Health Authority, Department of  
3 Early Learning and Care, Department of Education, Youth Development Division, the Oregon Youth  
4 Authority, a local health department, a community mental health program, a community develop-  
5 mental disabilities program, a county juvenile department, a child-caring agency as that term is de-  
6 fined in ORS 418.205 or an alcohol and drug treatment program.

7 (f) Peace officer.

8 (g) Psychologist.

9 (h) Member of the clergy.

10 (i) Regulated social worker.

11 (j) Optometrist.

12 (k) Chiropractor.

13 (L) Certified provider of foster care, or an employee thereof.

14 (m) Attorney.

15 (n) Licensed professional counselor.

16 (o) Licensed marriage and family therapist.

17 (p) Firefighter or emergency medical services provider.

18 (q) Court appointed special advocate, as defined in ORS 419A.004.

19 (r) Child care provider registered or certified under ORS 329A.250 to 329A.450.

20 (s) Elected official of a branch of government of this state or a state agency, board, commission  
21 or department of a branch of government of this state or of a city, county or other political subdi-  
22 vision in this state.

23 (t) Physical, speech or occupational therapist.

24 (u) Audiologist.

25 (v) Speech-language pathologist.

26 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-  
27 gations or discipline by the commission.

28 (x) Pharmacist.

29 (y) Operator of a preschool recorded program under ORS 329A.255.

30 (z) Operator of a school-age recorded program under ORS 329A.255.

31 (aa) Employee of a private agency or organization facilitating the provision of respite services,  
32 as defined in ORS [418.205] **418.215 (2)(b)**, for parents pursuant to a properly executed power of at-  
33 torney under ORS 109.056.

34 (bb) Employee of a public or private organization providing child-related services or activities:

35 (A) Including but not limited to an employee of a:

36 (i) Youth group or center;

37 (ii) Scout group or camp;

38 (iii) Summer or day camp;

39 (iv) Survival camp; or

40 (v) Group, center or camp that is operated under the guidance, supervision or auspices of a re-  
41 ligious, public or private educational system or a community service organization; and

42 (B) Excluding an employee of a qualified victim services program as defined in ORS 147.600 that  
43 provides confidential, direct services to victims of domestic violence, sexual assault, stalking or hu-  
44 man trafficking.

45 (cc) Coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,

1 if compensated and if the athlete is a child.

2 (dd) Personal support worker, as defined in ORS 410.600.

3 (ee) Home care worker, as defined in ORS 410.600.

4 (ff) Animal control officer, as defined in ORS 609.500.

5 (gg) Member of a school district board, an education service district board or a public charter  
6 school governing body.

7 (hh) Individual who is paid by a public body, in accordance with ORS 430.215, to provide a ser-  
8 vice identified in an individualized service plan of a child with a developmental disability.

9 (ii) Referral agent, as defined in ORS 418.351.

10 (jj) Parole and probation officer, as defined in ORS 181A.355.

11 (kk) Behavior analyst or assistant behavior analyst licensed under ORS 676.810 or behavior  
12 analysis interventionist registered by the Health Licensing Office under ORS 676.815.

13 (LL) Massage therapist, as defined in ORS 687.011.

14 **SECTION 25.** ORS 419B.005, as amended by section 6, chapter 581, Oregon Laws 2023, section  
15 65, chapter 73, Oregon Laws 2024, and section 10, chapter 308, Oregon Laws 2025, is amended to  
16 read:

17 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:

18 (1)(a) "Abuse" means:

19 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child that  
20 has been caused by other than accidental means, including any injury that appears to be at variance  
21 with the explanation given of the injury.

22 (B) Any mental injury to a child, which shall include only cruel or unconscionable acts or  
23 statements made, or threatened to be made, to a child if the acts, statements or threats result in  
24 severe harm to the child's psychological, cognitive, emotional or social well-being and functioning.

25 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-  
26 tration and incest, as those acts are described in ORS chapter 163.

27 (D) Sexual abuse, as described in ORS chapter 163.

28 (E) Sexual exploitation, including but not limited to:

29 ~~(i) Allowing, permitting, encouraging or hiring a child to engage in prostitution as de-  
30 scribed in ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase sex  
31 with a minor as described in ORS 163.413 or to engage in commercial sexual solicitation as  
32 described in ORS 167.008;~~

33 ~~(ii)~~ Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163[  
34 *and*]; or

35 ~~(iii)~~~~(I)~~ Any other conduct that allows, employs, authorizes, permits, induces or encourages a  
36 child to engage in *the performing for people to observe or the photographing, filming, tape recording*  
37 *or other exhibition that* ~~a performance to be observed, photographed, filmed, tape recorded or~~  
38 ~~otherwise exhibited, if the performance~~, in whole or in part, depicts sexual conduct or contact,  
39 as defined in ORS 167.002 or described in ORS 163.665 and 163.670, sexual abuse involving a child  
40 or rape of a child~~, but not including~~.

41 ~~(II) As used in this sub-subparagraph, "conduct" does not include~~ any conduct that is part  
42 of any investigation conducted pursuant to ORS 419B.020 or that is designed to serve educational  
43 or other legitimate purposes~~; and~~.

44 ~~(ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution as described in  
45 ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase sex with a minor as~~

1    *described in ORS 163.413 or to engage in commercial sexual solicitation as described in ORS*  
2    **167.008.]**

3    (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to  
4    provide adequate food, clothing, shelter or medical care that is likely to endanger the health or  
5    welfare of the child.

6    (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm  
7    to the child's health or welfare.

8    (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

9    (I) Permitting a person under 18 years of age to enter or remain in or upon premises where  
10    methamphetamines are being manufactured.

11    (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, or to the unlawful  
12    manufacturing of a cannabinoid extract, as defined in ORS 475C.009, that subjects a child to a sub-  
13    stantial risk of harm to the child's health or safety.

14    (K) The infliction of corporal punishment on a child in violation of ORS 339.250 (9).

15    (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the  
16    conditions described in paragraph (a) of this subsection.

17    (2) "Child" means an unmarried person who:

18    (a) Is under 18 years of age; or

19    (b) Is a child in care, as defined in ORS 418.257.

20    (3) "Higher education institution" means:

21    (a) A community college as defined in ORS 341.005;

22    (b) A public university listed in ORS 352.002;

23    (c) The Oregon Health and Science University; and

24    (d) A private institution of higher education located in Oregon.

25    (4)(a) "Investigation" means a detailed inquiry into or assessment of the safety of a child alleged  
26    to have experienced abuse.

27    (b) "Investigation" does not include screening activities conducted upon the receipt of a report.

28    (5) "Law enforcement agency" means:

29    (a) A city or municipal police department.

30    (b) A county sheriff's office.

31    (c) The Oregon State Police.

32    (d) A police department established by a university under ORS 352.121 or 353.125.

33    (e) A county juvenile department.

34    (6) "Public or private official" means:

35    (a) Physician or physician associate licensed under ORS chapter 677 or naturopathic physician,  
36    including any intern or resident.

37    (b) Dentist.

38    (c) School employee, including an employee of a higher education institution.

39    (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide  
40    or employee of an in-home health service.

41    (e) Employee of the Department of Human Services, Oregon Health Authority, Department of  
42    Early Learning and Care, Department of Education, Youth Development Division, the Oregon Youth  
43    Authority, a local health department, a community mental health program, a community develop-  
44    mental disabilities program, a county juvenile department, a child-caring agency as that term is de-  
45    fined in ORS 418.205 or an alcohol and drug treatment program.

- 1 (f) Peace officer.
- 2 (g) Psychologist.
- 3 (h) Member of the clergy.
- 4 (i) Regulated social worker.
- 5 (j) Optometrist.
- 6 (k) Chiropractor.
- 7 (L) Certified provider of foster care, or an employee thereof.
- 8 (m) Attorney.
- 9 (n) Licensed professional counselor.
- 10 (o) Licensed marriage and family therapist.
- 11 (p) Firefighter or emergency medical services provider.
- 12 (q) Court appointed special advocate, as defined in ORS 419A.004.
- 13 (r) Child care provider registered or certified under ORS 329A.250 to 329A.450.
- 14 (s) Elected official of a branch of government of this state or a state agency, board, commission  
15 or department of a branch of government of this state or of a city, county or other political subdivi-  
16 sion in this state.
- 17 (t) Physical, speech or occupational therapist.
- 18 (u) Audiologist.
- 19 (v) Speech-language pathologist.
- 20 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-  
21 gations or discipline by the commission.
- 22 (x) Pharmacist.
- 23 (y) Operator of a preschool recorded program under ORS 329A.255.
- 24 (z) Operator of a school-age recorded program under ORS 329A.255.
- 25 (aa) Employee of a private agency or organization facilitating the provision of respite services,  
26 as defined in ORS [418.205] 418.215 (2)(b), for parents pursuant to a properly executed power of at-  
27 torney under ORS 109.056.
- 28 (bb) Employee of a public or private organization providing child-related services or activities:  
29 (A) Including but not limited to an employee of a:  
30 (i) Youth group or center;  
31 (ii) Scout group or camp;  
32 (iii) Summer or day camp;  
33 (iv) Survival camp; or  
34 (v) Group, center or camp that is operated under the guidance, supervision or auspices of a re-  
35 ligious, public or private educational system or a community service organization; and  
36 (B) Excluding an employee of a qualified victim services program as defined in ORS 147.600 that  
37 provides confidential, direct services to victims of domestic violence, sexual assault, stalking or hu-  
38 man trafficking.
- 39 (cc) Coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,  
40 if compensated and if the athlete is a child.
- 41 (dd) Personal support worker, as defined in ORS 410.600.
- 42 (ee) Home care worker, as defined in ORS 410.600.
- 43 (ff) Animal control officer, as defined in ORS 609.500.
- 44 (gg) Member of a school district board, an education service district board or a public charter  
45 school governing body.

(hh) Individual who is paid by a public body, in accordance with ORS 430.215, to provide a service identified in an individualized service plan of a child with a developmental disability.

3 (ii) Referral agent, as defined in ORS 418.351.

4 (jj) Parole and probation officer, as defined in ORS 181A.355.

5 (kk) Behavior analyst or assistant behavior analyst licensed under ORS 676.810 or behavior  
6 analysis interventionist registered by the Health Licensing Office under ORS 676.815.

7 (LL) Massage therapist, as defined in ORS 687.011.

**SECTION 26.** ORS 419C.620 is amended to read:

9 419C.620. (1) When required by the court, the Oregon Youth Authority or a private agency  
10 having guardianship or legal custody of an adjudicated youth pursuant to court order shall file re-  
11 ports on the adjudicated youth with the juvenile court that entered the original order concerning  
12 the adjudicated youth.

13       (2) A county juvenile department shall file a report with the juvenile court under this section  
14 if an adjudicated youth remains under juvenile department care for six consecutive months from the  
15 date of initial placement and:

16 (a) The county juvenile department is a county program, as defined in ORS [418.205] **418.215**;

17 (b) The county juvenile department is participating in programs related to Title IV-E of the So-  
18 cial Security Act;

19 (c) The county juvenile department has responsibility for the care and placement of the adjudicated youth; and

21 (d) The placement is not a detention facility.

**SECTION 27.** ORS 704.023 is amended to read:

704.023. In addition to meeting the requirements in ORS 704.020, any person who provides outfitting and guiding services for outdoor youth programs, as defined in ORS [418.205] **418.246**, shall furnish proof of a current child-caring agency license for outdoor youth programs from the Department of Human Services prior to being registered as an outfitter and guide.

## MISCELLANEOUS

29

**SECTION 28.** The unit captions used in this 2026 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2026 Act.

**SECTION 29.** This 2026 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2026 Act takes effect on its passage.

## “CHILDREN IN CARE

**“SECTION 28. (1) The provisions of section 2 of this 2026 Act and ORS 418.257 do not apply to investigations of reports of suspected abuse of a child in care if the suspected abuse is committed by the child in care’s parent.**

**(2) The provisions of ORS 418.521 and 418.523 do not apply to the restraint or involuntary seclusion of a child in care if the child in care is placed in the restraint or involuntary seclusion by the parent of the child in care.**

**“(3) As used in this section, ‘child in care,’ ‘involuntary seclusion’ and ‘restraint’ have the meanings given those terms in ORS 418.519.”.**

**“SECTION 30. (1) Section 2 of this 2026 Act and the amendments to ORS 329A.030, 329A.275, 418.205, 418.210, 418.215, 418.240, 418.241, 418.246, 418.248, 418.257, 418.258, 418.259, 418.260, 418.322, 418.327, 418.330, 418.500, 418.519, 418.625, 418.992, 419B.005, 419C.620 and 704.023 by sections 3 to 27 of this 2026 Act become operative on January 1, 2027.**

**(2) The Department of Human Services may take any action before the operative date specified in subsection (1) of this section to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department by section 2 of this 2025 Act and the amendments to ORS 329A.030, 329A.275, 418.205, 418.210, 418.215, 418.240, 418.241, 418.246, 418.248, 418.257, 418.258, 418.259, 418.260, 418.322, 418.327, 418.330, 418.500, 418.519, 418.625, 418.992, 419B.005, 419C.620 and 704.023 by sections 3 to 27 of this 2026 Act.”**