

SB 1532 A STAFF MEASURE SUMMARY**Carrier:** Sen. Gelser Blouin**Senate Committee On Human Services****Action Date:** 02/12/26**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 5-0-0-0**Yeas:** 5 - Drazan, Gelser Blouin, Linthicum, Prozanski, Reynolds**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Matthew Perreault, LPRO Analyst**Meeting Dates:** 2/3, 2/5, 2/10, 2/12**WHAT THE MEASURE DOES:**

The measure modifies the authority of the Oregon Department of Human Services (ODHS) with regard to residential and long-term care facilities, developmental disabilities services, and children in care. The measure declares an emergency, effective on its passage.

Detailed Summary:**Residential and Long-Term Care**

- Requires ODHS to impose a license condition on a residential or long-term care facility based on a substantiated finding of immediate jeopardy or a preliminary finding that is likely to be substantiated
- Specifies criteria for ODHS to impose or remove a license condition based on a preliminary finding or substantiated finding of immediate jeopardy
- Allows a facility to provide initial information or evidence regarding allegations before ODHS makes a preliminary finding
- Specifies that ODHS must demonstrate that a facility's noncompliance with certain requirements has not been corrected when issuing an order that imposes a license condition
- Directs ODHS to adopt a model consent form for using a video camera or electronic recording device in a resident's room at a residential care facility
- Delays implementation of certain provisions relating to licensure and enforcement by ODHS and the Oregon Health Authority to January 1, 2027

Developmental Disabilities Services

- Aligns statutory definitions for various types of providers of home and community-based services for individuals with intellectual and developmental disabilities
- Defines "agency" as an entity that is certified or endorsed by ODHS to provide services to individuals with intellectual or developmental disabilities
- Defines "direct support professional" as an employee of an agency to provide care or employment services to clients of an agency
- Replaces various statutory references to "providers" and "workers" with "agencies" and "direct support professionals," respectively
- Directs ODHS to adopt a differentiated rate model for providers of attendant care services who live with their clients, and specifies requirements for the rate model

Placement Decisions

- Allows ODHS to place a child in care in an out-of-state placement that is not licensed as a child-caring agency if the placement is any of the following:
 - Pursuant to the Oregon Indian Child Welfare Act
 - In a relative foster home or pre-adoptive family placement
 - In an eating disorder treatment program approved by the state's Medicaid program

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- Requires ODHS to notify the court and parties of the proposed placement of an Indian child
- Requires the director of the ODHS child welfare division to approve out-of-state placements in eating disorder treatment programs
- Requires an ODHS employee to accompany a child during transport to or between out-of-state placements, except during emergency circumstances

Restraint and Seclusion of Children in Care

- Prohibits ODHS from substantiating an allegation of abuse of a child in care solely due to a person's lapsed certification for training on the use of restraint and seclusion

ISSUES DISCUSSED:

- Potential fiscal savings by reducing overhead costs for in-home providers
- Treatment services covered under Medicaid
- Interaction with Oregon Indian Child Welfare Act provisions
- Requirements for licensure and placement of children with family members in another state
- Acuity of conditions experienced by youth
- Requirements for licensure of out-of-state child-caring agencies

EFFECT OF AMENDMENT:

The amendment modifies requirements for ODHS to impose a license condition on a residential or long-term care facility in response to a finding of immediate jeopardy. The amendment modifies and aligns statutory definitions. The amendment modifies provisions that allow ODHS to place a child out of state pursuant to the Oregon Indian Child Welfare Act or in an out-of-state eating disorder treatment program that is not licensed as a child-caring agency.

Detailed Summary:

Residential and Long Term Care

- Modifies requirements for ODHS to impose a license condition on a facility in response to a preliminary finding of immediate jeopardy
- Allows a facility to provide initial information or evidence regarding allegations before ODHS makes a preliminary finding
- Specifies that ODHS must demonstrate that a facility's noncompliance with certain requirements has not been corrected when issuing an order that imposes a license condition

Developmental Disabilities Services

- Removes proposed changes to reporting requirements on the developmental disabilities services workforce
- Defines "agency" as an entity that is certified or endorsed by ODHS to provide services to individuals with intellectual or developmental disabilities
- Defines "direct support professional" as an employee of an agency to provide care or employment services to clients of an agency
- Replaces various statutory references to "providers" and "workers" with "agencies" and "direct support professionals," respectively

Placement Decisions

- Modifies provisions that allow ODHS to place a child in care in an out-of-state institution that is pursuant to the Oregon Indian Child Welfare Act
- Requires ODHS to notify the court and parties of the proposed placement of an Indian child
- Removes the proposed requirement for ODHS to enter into a contract with the out-of-state eating disorder treatment program
- Modifies criteria to allow out-of-state placement in an eating disorder treatment program that is not an inpatient or residential treatment program with 24-hour nursing services
- Modifies the requirement for the ODHS child welfare director to authorize the placement

BACKGROUND:

Residential and Long-Term Care

Residential care facilities, including assisted living facilities and facilities with a memory care endorsement, are licensed and regulated by ODHS's Aging and People with Disabilities (APD) division. In 2025, the legislature enacted [Senate Bill 739](#) in response to a [report by the Long-Term Care Ombudsman](#) that investigated APD's handling of a fatal incident at a memory care facility. APD also commissioned an [independent report](#) that made additional recommendations, including changes to regulatory actions imposed in response to findings of immediate jeopardy of facility residents.

Developmental Disabilities Services

Providers of services for individuals with intellectual and developmental disabilities are licensed and regulated by ODHS's Office of Developmental Disabilities Services (ODDS). ODDS reimburses provider costs of attendant care services for individuals with intellectual and developmental disabilities based on each individual's service plan and expected hours of needed care. In 2025, ODHS delivered a [legislatively mandated study](#) on rates and wages paid to providers of in-home services that recommended several changes to ODDS and APD rate models.

Placement Decisions

Oregon law restricts ODHS from sending children in its custody to out-of-state placements unless the programs are licensed and approved by ODHS as child-caring agencies, meeting specific requirements. Other laws that affect out-of-state placements include the Interstate Compact on the Placement of Children, which governs transfers of jurisdiction between state child welfare agencies, and the federal [Indian Child Welfare Act](#), which requires Tribes to be involved in placement decisions involving Tribal children, including preferences for placements in other states. Oregon adopted its own version of the act in 2020 via [House Bill 4214 \(2020 1st s.s.\)](#). Medical care and treatment services for children in ODHS custody are covered by the state Medicaid plan, and providers are approved by the Oregon Health Authority, including those located out of state.

Restraint and Seclusion of Children in Care

Oregon law prohibits the use of certain types of restraint and seclusion in child-caring settings, such as foster homes and residential facilities. Program staff are required to be trained and certified in the use of safe, responsible restraint and seclusion techniques. The ODHS's Office of Training, Investigations, and Safety investigates reports of abuse in these settings, including inappropriate use of restraint and seclusion.