

A-Engrossed

Senate Bill 1532

Ordered by the Senate February 17
Including Senate Amendments dated February 17

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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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes changes to laws about long term care facilities and persons who provide I/DD services. The Act modifies laws about out-of-state placements of children in care and when DHS can find that a person abused a child in care. (Flesch Readability Score: 64.6).

Adds requirements for imposing a condition on the license of a residential care facility or long term care facility in response to a preliminary finding or substantiated finding of immediate jeopardy.

Directs the Department of Human Services to adopt a model consent form for the use of a video camera or other electronic monitoring device in a resident's room at a residential care facility.

Requires the department and the Oregon Health Authority to achieve full compliance with certain provisions of chapter 619, Oregon Laws 2025, no later than January 1, 2027.

Requires the department, **in setting agency payment rates**, to adopt a differentiated rate model for *[providers of attendant care services]* **agencies that employ direct support professionals** who reside with their clients.

Creates exceptions to certain child placement limitations.

Modifies certain provisions regarding the use of restraints on children in care.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to services for vulnerable persons; creating new provisions; amending ORS 418.205, 418.321, 418.322, 419B.351, 427.005, 427.024, 427.026, 427.181, 427.191 and 441.736; and declaring an emergency.

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

RESIDENTIAL AND LONG TERM CARE

SECTION 1. ORS 441.736 is amended to read:

441.736. (1) As used in this section:

(a) "Immediate jeopardy" means a situation in which the failure of a residential care facility or a long term care facility to comply with a rule of the Department of Human Services has caused or is likely to cause serious injury, serious harm, serious impairment or death to a resident.

(b) "License condition" includes but is not limited to:

(A) Restricting the total number of residents;

(B) Restricting the number and impairment level of residents based upon the capacity of the licensee and staff to meet the health and safety needs of all residents;

(C) Requiring additional staff or staff qualifications;

(D) Requiring additional training for staff;

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.

(E) Requiring additional documentation; or

(F) Restriction of admissions.

(c) “Preliminary finding” means an objective finding based on the available evidence at the time that the department conducts an initial investigation of a complaint.

[(c)] (d) “Substantial compliance” means a level of compliance with state law and with rules of the department such that any identified deficiencies pose a risk of no more than negligible harm to the health or safety of residents of a residential care facility or a long term care facility.

[(2)(a) The department may impose a condition on the license of a residential care facility or long term care facility in response to a substantiated finding of rule violation, including but not limited to a substantiated finding of abuse, and shall impose a condition on the license in response to a finding of immediate jeopardy, whether or not the finding of immediate jeopardy is substantiated at the time the license condition is imposed.]

(2) The department may impose a condition on the license of a residential care facility or long term care facility in response to a substantiated finding of rule violation, including but not limited to a substantiated finding of abuse.

(3) The department shall impose a condition on the license of a residential care facility or long term care facility in response to:

(a) A preliminary finding of immediate jeopardy that is reasonably likely to result in a substantiated finding; or

(b) A substantiated finding of immediate jeopardy.

(4)(a) Before the department may make a preliminary finding of immediate jeopardy, the department must, at a minimum, provide an opportunity for the facility to provide initial information or evidence to the department regarding the allegations in the complaint.

(b) If the department imposes a license condition based on a preliminary finding of immediate jeopardy and the preliminary finding is not substantiated within 30 days after the imposition of the license condition, the department shall immediately notify the facility and remove the license condition.

[(b)] (5) The department shall impose a license condition in a scope and manner that is specifically designed to remediate the finding that led to the license condition.

[(c) If the department imposes a license condition in response to a finding of immediate jeopardy to residents of the facility, and the finding of immediate jeopardy to residents of the facility is not substantiated within 30 days after the imposition of the license condition, the department shall immediately remove the license condition.]

*[(d)(A)] (6)(a) Except as provided in [subparagraph (B) of this paragraph] **paragraph (b) of this subsection**, the department shall provide a facility with a notice of impending imposition of license condition at least 48 hours before issuing an order imposing a license condition. The notice must:*

[(i)] (A) Describe the acts or omissions of the facility and the circumstances that led to the substantiated finding of rule violation or finding of immediate jeopardy supporting the imposition of the license condition;

[(ii)] (B) Describe why the acts or omissions and the circumstances create a situation for which the imposition of a license condition is warranted;

[(iii)] (C) Provide a brief statement identifying the nature of the license condition;

[(iv)] (D) Provide a brief statement describing how the license condition is designed to remediate the circumstances that led to the license condition; and

[(v)] (E) Provide a brief statement of the requirements for withdrawal of the license condition.

1 ~~[(B)]~~ **(b)** If the threat to residents of a facility is so imminent that the department determines
 2 it is not safe or practical to give the facility advance notice, the department must provide the notice
 3 required under this ~~[paragraph]~~ **subsection** within 48 hours of issuing an order imposing the license
 4 condition.

5 ~~[(e)]~~ **(7)** An order imposing a license condition must include:

6 ~~[(A)]~~ **(a)** A specific description of how the scope and manner of the license condition is designed
 7 to remediate the findings that led to the license condition; and

8 ~~[(B)]~~ **(b)** A specific description of the requirements for withdrawal of the license condition.

9 **(8) For a license condition that is imposed in response to a preliminary finding or sub-**
 10 **stantiated finding of immediate jeopardy, the order must also include a summary of the evi-**
 11 **dence demonstrating that:**

12 **(a) The facility has failed to meet one or more health, safety or quality rules or regu-**
 13 **lations;**

14 **(b) As a result of the facility's noncompliance described in paragraph (a) of this sub-**
 15 **section, serious injury, serious harm, serious impairment or death has occurred or is likely**
 16 **to occur if the noncompliance is not corrected;**

17 **(c) The facility has not demonstrated that the noncompliance described in paragraph (a)**
 18 **of this subsection has been corrected; and**

19 **(d) At the time the license condition is imposed, there is a current need for immediate**
 20 **corrective action by the facility to prevent serious injury, serious harm, serious impairment**
 21 **or death from occurring or recurring.**

22 ~~[(3)]~~ **(9)** The department may impose a license condition that includes a restriction on admissions
 23 to the facility only if the department makes a finding of immediate jeopardy that is likely to present
 24 an immediate jeopardy to future residents upon admission.

25 ~~[(4)(a)]~~ **(10)(a)** Following the imposition of a license condition on a facility, the department shall:

26 **(A)** Within 15 business days of receipt of the facility's written assertion of substantial compli-
 27 ance with the requirements set forth by the department for withdrawal of the license condition, re-
 28 inspect or reevaluate the facility to determine whether the facility has achieved substantial
 29 compliance with the requirements;

30 **(B)** Notify the facility by telephone or electronic means of the findings of the reinspection or
 31 reevaluation within five business days after completion of the reinspection or reevaluation; and

32 **(C)** Issue a written report to the facility within 30 days after the reinspection or reevaluation
 33 notifying the facility of the department's determinations regarding substantial compliance with the
 34 requirements necessary for withdrawal of the license condition.

35 **(b)** If the department finds that the facility has achieved substantial compliance regarding the
 36 violation for which the license condition was imposed, and finds that systems are in place to ensure
 37 similar deficiencies do not reoccur, the department shall withdraw the license condition.

38 **(c)** If after reinspection or reevaluation the department determines that the violation for which
 39 the license condition was imposed continues to exist, the department may not withdraw the license
 40 condition, and the department is not obligated to reinspect or reevaluate the facility again for 45
 41 days after the first reinspection or reevaluation. The department shall provide the decision not to
 42 withdraw the license condition to the facility in writing and inform the facility of the right to a
 43 contested case hearing pursuant to ORS chapter 183. Nothing in this paragraph limits the
 44 department's authority to visit or inspect the facility at any time.

45 **(d)** If the department does not meet the requirements of this subsection, a license condition is

1 automatically removed on the date the department failed to meet the requirements of this sub-
2 section, unless the Director of Human Services extends the applicable period for no more than 15
3 business days. The director may not delegate the power to make a determination regarding an ex-
4 tension under this paragraph.

5 **SECTION 2. (1) As used in this section, “residential care facility” means a residential**
6 **care facility as defined in ORS 443.400, including an assisted living facility and a facility with**
7 **a memory care endorsement under ORS 443.886.**

8 **(2) The Department of Human Services shall adopt by rule a model consent form for the**
9 **use of a video camera or other electronic monitoring device in a resident’s room at a resi-**
10 **dential care facility.**

11 **SECTION 3. (1) Notwithstanding ORS 443.415, 443.416, 443.436, 443.441, 443.443, 443.735,**
12 **443.755 and 443.886, the Department of Human Services and the Oregon Health Authority**
13 **may take reasonable steps to achieve substantial compliance with the terms of ORS 443.415,**
14 **443.416, 443.436, 443.441, 443.443, 443.735, 443.755 and 443.886, as those sections are amended**
15 **by sections 1, 7, 8, 10 to 13 and 15, chapter 619, Oregon Laws 2025, on or before January 1,**
16 **2027.**

17 **(2) The department and the authority shall comply fully with the terms of ORS 443.415,**
18 **443.416, 443.436, 443.441, 443.443, 443.735, 443.755 and 443.886, as those sections are amended**
19 **by sections 1, 7, 8, 10 to 13 and 15, chapter 619, Oregon Laws 2025, no later than January 1,**
20 **2027.**

21 **DEVELOPMENTAL DISABILITIES SERVICES**

22 **SECTION 4. ORS 427.005 is amended to read:**

23 **427.005. As used in this chapter, unless the context requires otherwise:**

24 **(1) “Adaptive behavior” means the effectiveness or degree with which an individual meets the**
25 **standards of personal independence and social responsibility expected for age and cultural group.**

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

28 **[(2)] (3) “Care” means:**

29 **(a) Supportive services, including, but not limited to, provision of room and board;**

30 **(b) Supervision;**

31 **(c) Protection; and**

32 **(d) Assistance in bathing, dressing, grooming, eating, management of money, transportation or**
33 **recreation.**

34 **[(3)] (4) “Community developmental disabilities program director” means the director of a com-**
35 **munity developmental disabilities program described in ORS 430.620 (1)(a) or (c).**

36 **[(4)] (5) “Competitive integrated employment” has the meaning given that term in 29 U.S.C. 705.**

37 **[(5)] (6) “Developmental disability” means autism, cerebral palsy, epilepsy or other condition**
38 **diagnosed by a qualified professional that:**

39 **(a) Originates before an individual is 22 years of age and is expected to continue indefinitely;**

40 **(b) Results in a significant impairment in adaptive behavior as measured by a qualified profes-**
41 **sional;**

42 **(c) Is not attributed primarily to other conditions including, but not limited to, a mental or**
43 **emotional disorder, sensory impairment, substance abuse, personality disorder, learning disability**
44
45

1 or attention deficit hyperactivity disorder; and

2 (d) Requires supports similar to those required by an individual with an intellectual disability.

3 [(6)] (7) "Director of the facility" means the person in charge of care, treatment and training
4 programs at a facility.

5 (8) **"Direct support professional" means an individual who is hired, employed, trained,
6 paid and supervised by an agency to provide care or employment services, as defined in ORS
7 427.101, to a client of the agency.**

8 [(7)] (9) "Facility" means a group home, activity center, community mental health clinic or other
9 facility or program that the Department of Human Services approves to provide necessary services
10 to persons with intellectual or developmental disabilities.

11 [(8)] (10) "Incapacitated" means a person is unable, without assistance, to properly manage or
12 take care of personal affairs, including but not limited to financial and medical decision-making, or
13 is incapable, without assistance, of self-care.

14 [(9)] (11) "Independence" means the extent to which persons with intellectual or developmental
15 disabilities exert control and choice over their own lives.

16 [(10)] (12) "Integration" means:

17 (a) Use by persons with intellectual or developmental disabilities of the same community re-
18 sources that are used by and available to other persons;

19 (b) Participation by persons with intellectual or developmental disabilities in the same commu-
20 nity activities in which persons without disabilities participate, together with regular contact with
21 persons without disabilities; and

22 (c) Residence by persons with intellectual or developmental disabilities in homes or in home-like
23 settings that are in proximity to community resources, together with regular contact with persons
24 without disabilities in their community.

25 [(11)(a)] (13)(a) "Intellectual disability" means an intelligence quotient of 70 or below as meas-
26 ured by a qualified professional and existing concurrently with significant impairment in adaptive
27 behavior, that is manifested before the individual is 18 years of age.

28 (b) An individual with intelligence quotients of 71 through 75 may be considered to have an in-
29 tellectual disability if there is also significant impairment in adaptive behavior, as diagnosed and
30 measured by a qualified professional.

31 (c) The impairment in adaptive behavior must be directly related to the intellectual disability.

32 [(12)] (14) "Minor" means an unmarried person under 18 years of age.

33 [(13)] (15) "Naturopathic physician" has the meaning given the term in ORS 685.010.

34 [(14)] (16) "Physician" means a person licensed by the Oregon Medical Board to practice medi-
35 cine and surgery.

36 [(15)] (17) "Service coordination" means person-centered planning, case management, procuring,
37 coordinating and monitoring of services under an individualized support plan to establish desired
38 outcomes, determine needs and identify resources for a person with intellectual or developmental
39 disabilities and advocating for the person.

40 [(16)] (18) "Training" means:

41 (a) The systematic, planned maintenance, development or enhancement of self-care, social or
42 independent living skills; or

43 (b) The planned sequence of systematic interactions, activities, structured learning situations
44 or education designed to meet each person's specified needs in the areas of physical, emotional, in-
45 tellectual and social growth.

1 [(17)] (19) "Treatment" means the provision of specific physical, mental, social interventions and
 2 therapies that halt, control or reverse processes that cause, aggravate or complicate malfunctions
 3 or dysfunctions.

4 **SECTION 5. ORS 427.024, 427.181 and 427.191 and section 10 of this 2026 Act are added to**
 5 **and made a part of ORS chapter 427.**

6 **SECTION 6.** ORS 427.024 is amended to read:

7 427.024. (1) The Department of Human Services shall adopt rules to ensure fiscal transparency
 8 in the provision of community-based services to individuals with intellectual or developmental disa-
 9 bilities and to ensure individuals with intellectual or developmental disabilities receive high quality
 10 services from [*providers that are licensed, certified or endorsed by the department to provide*
 11 *community-based services*] **agencies**. At a minimum, the rules must establish, for [*providers of*
 12 *community-based services to individuals with intellectual or developmental disabilities*] **agencies**:

13 (a) Requirements to annually submit staffing data to a reporting survey organization specified
 14 by the department;

15 (b) Requirements to submit an annual report to the department that includes:

16 (A) A disclosure of executive compensation and benefits;

17 (B) A disclosure of starting, average and highest wages for direct support professionals that are
 18 employed by, under contract with or otherwise engaged with the [*provider*] **agency** to deliver
 19 community-based services to individuals with intellectual or developmental disabilities;

20 (C) A disclosure of the [*provider's*] **agency's** overhead expenses and expenditures; and

21 (D) Any other fiscal matters prescribed by the department;

22 (c) Requirements to ensure that wages and health benefits paid to direct support professionals
 23 delivering community-based supports reflect any increase in rates approved by the Legislative As-
 24 sembly for the purpose of improving wages and health benefits;

25 (d) Criteria for conditions under which [*a provider*] **an agency** may be prohibited from applying
 26 for a license, certificate or endorsement;

27 (e) Criteria for the inclusion of information about the organizational history of an applicant for
 28 a new license, certification or endorsement, not to exceed the 10 previous years; and

29 (f) A process for the consideration of the regulatory and safety compliance and operational ex-
 30 perience of all [*providers*] **agencies** in this state or in any other jurisdiction when issuing an initial
 31 license, certification or endorsement or renewing a license, certification or endorsement.

32 (2) Rules adopted by the department must, to the greatest extent practicable, consolidate new
 33 reporting requirements with existing reporting requirements to avoid the need for [*providers*]
 34 **agencies** to make duplicative reports of the same information.

35 **SECTION 7.** ORS 427.026 is amended to read:

36 427.026. (1) As used in this section:

37 [(a)] "Agency" means an entity that is certified and endorsed by the Department of Human Services
 38 to provide services to individuals with intellectual or developmental disabilities.]

39 [(b)] (a) "Ownership interest" means:

40 (A) A direct or indirect ownership interest, or a combination of direct and indirect ownership
 41 interests, equal to five percent or more in an agency;

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

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

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

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

[(c)] (b) "Provider" means:

(A) An agency;

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

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

[(d)] (c) "Responsible person" means:

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

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

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

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

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

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

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

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

SECTION 8. ORS 427.181 is amended to read:

427.181. (1) As used in this section and ORS 410.855:

(a) "Agency with choice services" means support given to an individual in self-directing the individual's services or in managing staff who are providing in-home services and supports to the individual, using a person-centered approach to ensure that the individual is at the center of the decision-making process regarding what services are needed, including by providing:

(A) Training, coaching and other forms of support to the individual on:

(i) Self-direction; and

(ii) The roles and responsibilities of the individual and the agency with choice services provider;

(B) Training, coaching and other forms of support to the individual in the overall management of staff providing direct support services to the individual, including in the recruitment, hiring, scheduling and training of staff, performance assessments of staff and dismissal of staff; and

(C) Other administrative and employment-related supports.

(b) "Individual" means a child or adult with an intellectual or developmental disability who receives in-home services and supports through the Department of Human Services.

(2) The department shall contract with one or more endorsed organizations to deliver agency with choice services as a community-based services option under ORS 427.007 (1)(d).

(3) The department shall adopt by rule minimum qualifications for agencies to be endorsed by the department to deliver agency with choice services.

(4) Minimum qualifications for agencies endorsed to deliver agency with choice services include, but are not limited to:

(a) The ability to provide support for individuals in directing the individual's direct support [worker] **professional** and the day-to-day services of the direct support [worker] **professional**;

(b) A commitment to work with a broad coalition of stakeholders in an effort to understand the changing needs of the workforce and of individuals' needs, rights and preferences; and

(c) The ability to meet the state's interest in preventing or mitigating disruptions to individuals' in-home services and supports.

(5) The department may not endorse an agency to provide agency with choice services if the owner of the agency or an executive officer of the agency has been convicted of Medicaid fraud in any state within the 25-year period prior to the certification.

(6) For the purpose of monitoring and evaluating workforce capacity and trends, an agency endorsed to provide agency with choice services must annually provide to the department in the manner and at intervals specified by the department by rule:

(a) A list of direct support [workers] **professionals** for which the agency billed the department for services provided through the agency with choice model;

(b) The zip codes where the direct support [workers] **professionals** provided services; and

(c) Verification of the completion of training required for each direct support [worker] **professional**.

SECTION 9. ORS 427.191 is amended to read:

427.191. (1) As used in this section:

[(a) "Agency" means an agency that hires, trains and supervises direct support professionals using state funds received from the Department of Human Services.]

[(b)] (a) "Attendant care services" means services provided directly to an individual with a disability to assist with activities of daily living, instrumental activities of daily living and health-related tasks.

[(c)] (b) "Child" means an individual under 18 years of age who:

(A) Has a developmental or intellectual disability; or

(B) Meets the eligibility criteria to receive services under the Medically Fragile (Hospital) Model Waiver or the Medically Involved Children's Waiver approved by the Centers for Medicare and Medicaid Services under 42 U.S.C. 1396n(c).

[(d)] (c) "Client" means an individual who receives attendant care services.

[(e)] (d) "Client child" means a child who receives attendant care services from the child's parent.

[(f)] (e) "Developmental disability services" has the meaning given that term in ORS 427.101.

[(g)] "Direct support professional" means an individual who is hired, employed, trained, paid and supervised by an agency to provide attendant care services to a client of the agency.]

[(h)] (f) "Nonparent caregiver" means a direct support professional, personal support worker or similar provider who is paid to provide attendant care services to clients who are not the provider's

children.

[(i)] **(g)** “Parent” includes a:

(A) Natural or adoptive parent of a child;

(B) Stepparent of a child; and

(C) Legal guardian of a child.

[(j)(A)] **(h)(A)** “Parent provider” means a parent who is paid to provide attendant care services to the parent’s minor child.

(B) “Parent provider” does not include a parent who is paid to provide attendant care services to a child who is 18 years of age or older.

[(k)(A)] **(i)(A)** “Personal support worker” means an individual who is employed by a client or the client’s representative and paid to provide attendant care services to the client.

(B) “Personal support worker” does not include a direct support professional.

[(L)] **(j)** “State plan” means Oregon’s state plan for medical assistance, described in 42 U.S.C. 1396a, approved by the Centers for Medicare and Medicaid Services.

[(m)] **(k)** “Very high behavioral needs” means a minor child’s extraordinary needs for support due to the child’s behavioral condition as indicated by a federally approved functional needs assessment adopted by the department that assigns the child to the highest service level.

[(n)] **(L)** “Very high medical needs” means a minor child’s extraordinary needs for support due to the child’s medical condition as indicated by a federally approved functional needs assessment adopted by the department that assigns the child to the highest service level.

(2) Subject to rules adopted under subsection (8) of this section, to ORS 427.194 and to available funding, the department shall administer a program to compensate parents to provide attendant care services to the parents’ children who have been assessed by the department to have very high medical or very high behavioral needs.

(3) To be eligible for the program described in this section:

(a) A parent provider must be employed by an agency and not by the child or the other parent of the child;

(b) The parent provider may not be paid to provide attendant care services to the client child by an agency that is owned by the parent, the child or any family member or for which the parent or other family member serves in any administrative or leadership capacity, including as a member of a board of directors; and

(c) The agency employing the parent provider to provide attendant care services to the client child:

(A) May not employ a parent provider as an independent contractor;

(B) Shall pay parent providers overtime at the same rate and under the same circumstances as direct support professionals who are not parent providers;

(C) Except as authorized by the department by rule, may not pay providers of attendant care services, including parent providers, to provide services to a minor child during school hours unless the minor child is temporarily at home recovering from surgery or illness and the temporary absence from school is recommended by the child’s health care provider; and

(D) May not pay providers of attendant care services, including parent providers, to provide services to a minor child during school hours due to the determination of a school district or due to the choice of a parent of the client child to:

(i) Have the child regularly attend school less than the number of school hours attended by students without disabilities who are in the same grade and the same school district as the client

child;

(ii) Homeschool the client child; or

(iii) Enroll the client child in a private school that offers fewer school hours than the school hours offered by the local public school to the majority of students in the same grade as the client child.

(4) Subsection (3)(c)(D) of this section does not prohibit a school district or other entity from compensating parents of students with disabilities for providing support for educational activities that would otherwise be the responsibility of the school district.

(5) A parent provider, during the hours that the parent provider is paid to provide one-on-one attendant care services to the client child:

(a) May not be responsible for a vulnerable adult who requires physical care and monitoring;

(b) May not be responsible for the care of a child, other than the client child, who is under 10 years of age and shall have another caregiver immediately available at all times to attend to the needs of the child; and

(c) Unless they are included as a goal or service in the child's individual support plan and related to the child's disability-related support needs, may not perform tasks that are not for the primary benefit of the client child, including but not limited to:

(A) Grocery shopping for the household;

(B) Housekeeping not required for the disability-related support needs of the client child;

(C) Remote work or operation of a home business; or

(D) Transporting individuals other than the client child to or from activities or appointments.

(6) If required by the Centers for Medicare and Medicaid Services, the department may require a parent provider to assign an alternative legal representative for the client child to make decisions about or manage the development and implementation of the client child's individual support plan. The assignment:

(a) Must be on a form prescribed by the department; and

(b) Must clearly state that the assignment is limited to decisions regarding the development and implementation of the child's individual support plan and does not limit the authority of the parent provider to make decisions for the client child with respect to health care, education or religious training.

(7) A parent provider is subject to the requirements of mandatory reporting of abuse under ORS 124.060 and 419B.010, 24 hours per day, seven days per week.

(8) The department shall adopt rules for the program described in this section using an advisory committee appointed under ORS 183.333 that represents the interests of parents, children with developmental or intellectual disabilities, adults with disabilities, agencies, organizations of direct support professionals and personal support workers and organizations that advocate for persons with disabilities. The rules must include all of the following:

(a) Strategies to safeguard nonparent caregivers and avoid the displacement of nonparent caregivers by parent providers;

(b) Requirements for agencies to demonstrate consistent efforts to recruit, train and retain nonparent caregivers;

(c) Training requirements for:

(A) Parent providers regarding federal and state administrative rules regulating home-based and community-based services, including the impact of the rules on parent-child relationships with respect to discipline, supervision, physical intervention and self-determination of client children during

1 the hours that the parent provider is being paid to provide attendant care services;

2 (B) Client children to learn to advocate for themselves with respect to choosing and managing
3 direct support professionals before and after reaching 18 years of age; and

4 (C) Community developmental disability programs related to the employment of parent providers,
5 including on how to support families to manage issues concerning conflicts of interest, provider
6 recruitment and retention and the empowerment of the client child to have a meaningful voice in
7 the selection of the client child's direct support professionals;

8 (d) A process for a client child to object to the hiring of any caregiver, including the child's
9 parent, or to raise concerns about a provider's caregiving;

10 (e) Procedures to ensure that the program described in this section is implemented consistently
11 and equitably throughout this state;

12 (f) A requirement that any appeal related to the requirements of or benefits under the program
13 is the sole responsibility of the central office staff of the department; and

14 (g) Other requirements that the department deems necessary to carry out the provisions of this
15 section.

16 (9) The department may adopt rules necessary to manage the cost, size and growth rate of the
17 program described in this section that are necessary to protect the eligibility for and levels of ser-
18 vices under programs serving individuals receiving developmental disability services provided for in
19 the state plan, including the development of criteria to limit the number of children eligible to par-
20 ticipate in the program.

21 (10) Annually, the department shall report to the interim committees of the Legislative Assembly
22 related to human services or, if the Legislative Assembly is in session, to the committees of the
23 Legislative Assembly related to human services, in the manner provided in ORS 192.245, updates on
24 the program described in this section, including:

25 (a) The number of client children receiving attendant care services, the number of children re-
26 ceiving the services from parent providers and the number of children receiving the services from
27 nonparent caregivers;

28 (b) The number of hours of attendant care services provided by parent providers and number
29 of hours of attendant care services provided by nonparent caregivers;

30 (c) A comparison of the cost per child of providing attendant care services by parent providers
31 under the program with the cost per child of providing attendant care services by nonparent
32 caregivers; and

33 (d) A report on the adequacy of the direct care workforce in this state to provide services to
34 all children with developmental disability services who are eligible for attendant care services.

35 **SECTION 10. In setting agency payment rates, the Department of Human Services shall**
36 **adopt a differentiated rate model for an agency that employs a direct support professional**
37 **who resides with a client. The differentiated rate model adopted under this section:**

38 (1) **Shall reflect the reduced overhead costs to the agency as a result of the direct sup-**
39 **port professional residing with the client;**

40 (2) **May not reduce the hours of service for which the client is eligible; and**

41 (3) **May not reduce the wages of the direct support professional.**

42 43 PLACEMENT DECISIONS

44
45 **SECTION 11. Sections 12 and 13 of this 2026 Act are added to and made a part of ORS**

1 418.205 to 418.327.

2 **SECTION 12. Out-of-state placement exceptions.** (1) Notwithstanding ORS 418.321 or
3 418.322, if there is reason to know, as described in ORS 419B.636, that a child is an Indian
4 child, the Department of Human Services may place the child in an out-of-state institution
5 meeting the criteria described in ORS 419B.654 (1)(d)(B)(iv) without requiring the institution
6 to be licensed by or under contract with the department or to be a qualified residential
7 treatment program if:

8 (a) The placement complies with the placement preferences under ORS 419B.654; and

9 (b) The department provides at least 10 days' notice to the court and the parties of the
10 proposed placement or, if the delay caused by providing this notice would likely result in
11 serious physical or emotional harm to the child, endanger the child's life or cause loss of
12 placement availability, the department shall provide the notice to the court and the parties
13 as soon as practicable and in no event later than one business day after the child leaves this
14 state.

15 (2) ORS 418.321 does not apply to the department's placement of a child in an out-of-state
16 child-caring agency if:

17 (a) The placement is for the purpose of placing the child or ward in a relative foster home
18 or pre-adoptive family placement that has been selected and approved by the department;

19 (b) The department retains the sole authority to approve the foster care or pre-adoptive
20 placement of the child;

21 (c) The child is not placed in a congregate care residential setting, as defined in ORS
22 418.322; and

23 (d) The placement complies with the requirements of the Interstate Compact on the
24 Placement of Children.

25 **SECTION 13. Accompaniment of child in care in an out-of-state placement.** (1) If the
26 Department of Human Services places a child in an out-of-state child-caring agency, a de-
27 partment child welfare services employee must accompany the child when the child is
28 transported to the initial out-of-state placement, any time the child is moved to a new
29 placement and any time the child is moved by secure transport.

30 (2) Notwithstanding subsection (1) of this section, if a child placed in an out-of-state
31 child-caring agency requires secure transport from an out-of-state location due to an emer-
32 gency, a department child welfare services employee is not required to accompany the child
33 if the time it would take for the employee to travel to the child's out-of-state location would
34 pose a risk to the health, safety or welfare of the child. If a department child welfare ser-
35 vices employee does not accompany a child transported to an alternate out-of-state place-
36 ment, as provided in this subsection, the child welfare services employee must immediately
37 travel to meet the child at the new out-of-state facility.

38 (3) As used in this section, "out-of-state child-caring agency" has the meaning given that
39 term in ORS 418.321.

40 **SECTION 14. Access to out-of-state eating disorder program.** (1) ORS 418.321 does not
41 apply to the Department of Human Services' admission of a child in an out-of-state eating
42 disorder treatment program if:

43 (a) The child is diagnosed with an eating disorder;

44 (b) The child's treating provider is not employed by or contracted with by the depart-
45 ment;

1 (c) The child's treating provider determines that the child requires admission to the
2 out-of-state eating disorder treatment program because the child's needs related to the eat-
3 ing disorder cannot be met by an eating disorder treatment program in this state;

4 (d) The Oregon Health Authority has enrolled the out-of-state eating disorder treatment
5 program as a provider in the state medical assistance program;

6 (e) The out-of-state eating disorder treatment program is regulated and in good standing
7 with the authority and any entity regulating child-caring agencies in the state in which the
8 facility is located;

9 (f) The responsible Medicaid entity has approved the services and treatment to be pro-
10 vided to the child;

11 (g) The child's admission to the out-of-state eating disorder treatment program is ap-
12 proved by the court prior to the child leaving this state or, if the time it would take for the
13 court to approve the admission would threaten the child's life, the child's admission is ap-
14 proved by the court as soon as practicable after the child leaves this state; and

15 (h) The director of the division of the department that administers the state child welfare
16 program authorizes the department's request for the child to be considered for admission to
17 the out-of-state eating disorder program.

18 (2) When a child has been admitted for treatment to an out-of-state eating disorder
19 treatment program under this section:

20 (a) A Department of Human Services employee must make an in-person visit to the
21 program and certify the program as substantially compliant with the licensing requirements
22 for child-caring agencies that would apply if the program was providing services in this state;

23 (b) A department employee who is familiar to the child shall visit the child in person at
24 least twice per month while the child is admitted to the program;

25 (c) The child's caseworker or the caseworker's supervisor shall have weekly contact with
26 the child, either by telephone, in person or through an electronic platform; and

27 (d) The department shall provide necessary supports to the child's family or foster family
28 to participate in the child's treatment, including through the purchase of transportation or
29 lodging, as appropriate.

30 (3) ORS 418.215 (2) does not apply to an out-of-state eating disorder treatment program
31 into which a child is admitted under this section.

32 **SECTION 15.** ORS 418.321 is amended to read:

33 418.321. (1) **Except as provided in section 12 of this 2026 Act, and** subject to ORS 418.322,
34 the Department of Human Services may place a child in an out-of-state child-caring agency only if:

35 (a) The [*out-of-state child-caring*] agency is licensed to provide or engage in the provision of care
36 or services by the department under ORS 418.205 to 418.327 and complies with the licensing re-
37 quirements under ORS 418.215;

38 (b) The department has a current contract with the [*child-caring*] agency; and

39 (c) The department's contract with the [*child-caring*] agency meets the [*criteria*] **requirements**
40 under subsection (3) of this section.

41 (2) **If an out-of-state child-caring agency is required to be licensed by the department**
42 **under this section:**

43 (a) The department shall license [*an out-of-state child-caring*] **the** agency pursuant to the same
44 licensure requirements the department would impose if the [*out-of-state child-caring*] agency was lo-
45 cated in this state.

(b) Notwithstanding paragraph (b) of Article V of the Interstate Compact on the Placement of Children and ORS 417.230, the department may not delegate the department's licensing, visitation, inspection, investigation or supervision of *[an out-of-state child-caring agency licensed by the department to provide care or services to an Oregon child]* **the agency**.

(3) If the department is required under this section to have a contract with an out-of-state child-caring agency:

(a) The department shall review the *[department's contract with an out-of-state child-caring agency prior to placing a child with the child-caring agency]* **contract prior to placing a child with the agency**.

(b) The contract must, at a minimum, meet the following *[criteria]* **requirements:**

(A) At the time the contract is executed, the *[child-caring]* agency must provide the department with a current list of every entity for which the *[child-caring]* agency is providing placement services.

(B) No later than 15 days after accepting placement of a child from a new entity, the *[child-caring]* agency must notify the department in writing of the *[child-caring]* agency's association with the new entity. The notice must include the name and contact information of the new entity and the name and contact information of an individual associated with the new entity.

(C) The *[child-caring]* agency must make mandatory reports of child abuse, as defined in ORS 418.257 and 419B.005, involving Oregon children both to the centralized child abuse reporting system described in ORS 418.190 and as required under the laws of the state in which the *[child-caring]* agency is located.

(D) The *[child-caring]* agency must allow the department full access to the *[child-caring]* agency's facilities, residents, records and personnel as necessary for the department to conduct child abuse investigations and licensing activities or investigations.

(E) The *[child-caring]* agency must notify the department in writing no later than three business days after any state determines that an allegation of child abuse or a license violation involving the *[child-caring]* agency is founded, regardless of whether the child abuse or violation involves an Oregon child.

(F) The *[child-caring]* agency must notify the department in writing no later than three business days after the *[child-caring]* agency receives notice from any other state imposing a restriction on placement of children with the *[child-caring]* agency, suspending or revoking the *[child-caring]* agency's license with that state or indicating the state's intent to suspend or revoke the *[child-caring]* agency's license with that state.

(G) The *[child-caring]* agency must notify the department immediately, verbally and in writing:

(i) Any time a child from any state who is in the care of the *[child-caring]* agency dies, is sexually assaulted or suffers serious physical injury; or

(ii) When the *[child-caring]* agency becomes aware of any criminal investigation, arrest or criminal charges involving an agency staff member if the alleged offense involved a child or could have reasonably posed a risk to the health, safety or welfare of a child.

(H) Except with respect to protected information described in ORS 418.256 (5), the *[child-caring]* agency may not ask or require an employee or volunteer to sign a nondisclosure or other agreement prohibiting the employee or volunteer from the good faith disclosure of information concerning the abuse or mistreatment of a child who is in the care of the *[child-caring]* agency, violations of licensing or certification requirements, criminal activity at the *[child-caring]* agency, violations of state or federal laws or any practice that threatens the health and safety of a child in

the care of the [child-caring] agency.

(I) The [child-caring] agency must ensure staffing ratio and staff training and education requirements that meet, at a minimum, the standards set by the department by rule for intensive behavioral support services.

(J) The [child-caring] agency must meet all of the program, discipline, behavior support, supervision and child rights requirements adopted by the department by rule for behavioral rehabilitation services provided in this state.

(K) The [child-caring] agency may not practice conversion therapy, as defined in ORS 675.850.

(L) The [child-caring] agency must identify a child by the child's preferred name and pronouns and may not implement a dress code that prohibits or requires clothing on the basis of biological sex.

(M) Genetic testing, including testing for psychopharmacological purposes, must be approved by a court and may not be included as a standing order for a child in care.

(N) Neither the [child-caring] agency nor its contractors or volunteers may use chemical or mechanical restraints on a child, including during secure transport.

(O) The [child-caring] agency must ensure that the use of any psychotropic medications for a child placed with the [child-caring] agency by the department is in compliance with ORS 418.517 and any rules regarding psychotropic medications adopted by the department.

(4) The department shall develop rules outlining a process for review of the out-of-state placement of a child who is identified as a child with an intellectual or developmental disability or who is suspected of having an intellectual or developmental disability. At a minimum, the rules must:

(a) Identify a process for expediting review of the child's eligibility for developmental disability services.

(b) Require that a multidisciplinary [review] team, including administrators in the developmental disability services program, review the placement before the child is placed out-of-state.

(c) Require that a multidisciplinary team, including administrators in the developmental disability services program, monitor the progress of the child in the out-of-state placement.

(d) Require that contracts for placement of the child ensure that the child has the same rights and protections that the child would have if the child was placed in this state.

[(5)(a) A department child welfare services employee must accompany a child who is placed in an out-of-state child-caring agency any time the child is transported to an initial out-of-state placement, any time the child is moved to a new placement and any time the child is moved by secure transport.]

[(b) Notwithstanding paragraph (a) of this subsection, if a child placed in an out-of-state child-caring agency requires secure transport from the out-of-state placement due to an emergency, a department child welfare services employee is not required to accompany the child if the time it would take for the employee to travel to the child's out-of-state location would pose a risk to the health, safety or welfare of the child. If a department child welfare services employee does not accompany a child transported to an alternate out-of-state placement, as provided in this paragraph, the child welfare services employee must immediately travel to meet the child at the new out-of-state facility.]

[(6)(a)] (5)(a) As used in this subsection, "juvenile offender" means a person under 18 years of age who has or is alleged to have committed an act that is a violation, or, if done by an adult, would constitute a violation, of a law or ordinance of the United States or a county or city in this state.

(b) Except as provided in paragraph (c) of this subsection, the department may not place a child in an out-of-state child-caring agency if the [child-caring] agency provides care to juvenile offenders.

(c) The department may place a child in an out-of-state child-caring agency that provides care

to juvenile offenders **only** if:

(A) The [*child-caring*] agency is a qualified residential treatment program licensed by the department;

(B) The [*child-caring*] agency maintains site-specific accreditation from a nationally recognized organization;

(C) The child being placed is a juvenile offender; and

(D) Prior to the hearing to approve the placement, the court and all parties to the dependency case have been informed of the nature of the services offered by the program and of the population served by the program, and the court, having considered the nature of the services and composition of the facility population and the report of the qualified individual, has found that placement in the facility is the least restrictive setting available to appropriately meet the child's treatment needs.

(6) As used in this section, "out-of-state child-caring agency" means a provider of children's care or services in a state other than Oregon that would be required to be licensed, certified or otherwise authorized by the department under ORS 418.240 if the provider provided the care or services in this state.

SECTION 16. ORS 418.205 is amended to read:

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

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

(2)(a) "Child-caring agency" means:

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

(i) Day treatment for children with emotional disturbances;

(ii) Adoption placement services;

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

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

(v) Outdoor youth programs; or

(vi) Other similar care or services for children.

(B) Any private organization or person that provides secure 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 as defined in ORS 418.241 or developmental disabilities residential facility as defined in ORS 418.241, if the route of the child's trip begins or ends in this state.

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

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

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

(C) A private residential boarding school;

(D) A child-caring facility as defined in ORS 418.950; and

(E) A secure nonemergency medical transportation provider, as defined in ORS 418.241.

(c) "Child-caring agency" does not include:

(A) Residential facilities or foster care homes certified or licensed by the Department of Human Services under ORS 443.400 to 443.455, 443.830 and 443.835 for children receiving developmental disability services;

(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 subparagraph, “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;

(C) A youth job development organization as defined in ORS 344.415;

(D) A shelter-care home that is a foster home subject to ORS 418.625 to 418.645;

(E) A foster home subject to ORS 418.625 to 418.645;

(F) A facility that exclusively serves individuals 18 years of age and older; or

(G) A facility that primarily serves both adults and children but requires that any child must be accompanied at all times by at least one custodial parent or guardian.

(3) “Child-caring facility” has the meaning given that term in ORS 418.950.

(4)(a) “County program” means any county operated program that provides care or services to children:

(A) In the custody of the Department of Human Services or the Oregon Youth Authority; or

(B) Under a contract with the Oregon Health Authority.

(b) “County program” does not include any local juvenile detention facility that receives state services provided and coordinated by the Department of Corrections under ORS 169.070.

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

(6) “Independent residence facility” means a facility as described in ORS 418.475.

(7)(a) “Outdoor youth program” means a program that provides, in an outdoor living setting, services to children who have behavioral problems, mental health problems or problems with abuse of alcohol or drugs.

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

(A) Operated by a governmental entity;

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

(C) Licensed by the Department of Human Services under other authority of the department; or

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

(8) “Out-of-state child-caring agency” has the meaning given that term in ORS 418.321.

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

[9] (10) “Private residential boarding school” means either of the following as the context requires:

(a) A child-caring agency that is a private school that provides residential care in combination with academic education and therapeutic care, including but not limited to treatment for emotional, behavioral or mental health disturbances; or

(b) A private school providing residential care that is primarily engaged in educational work under ORS 418.327.

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

[11] (12) “Provider of care or services for children” means a person, entity or organization that provides care or services to children, regardless of whether the child is in the custody of the Department of Human Services, and that does not otherwise meet the definition of, or requirements for,

a child-caring agency. "Provider of care or services for children" includes a proctor foster home certified by a child-caring agency under ORS 418.248.

[(12)] (13) "Qualified residential treatment program" means a program described in ORS 418.323.

[(13)] (14) "Shelter-care home" has the meaning given that term in ORS 418.470.

SECTION 17. ORS 419B.351 is amended to read:

419B.351. (1) The Department of Human Services shall move the court for approval of a placement no later than 30 days following the date the department placed, or will place, a child or ward in a qualified residential treatment program described in ORS 418.323.

(2)(a) The motion for approval of the placement must include, at a minimum:

(A) The date of the placement;

(B) To the extent practicable, the parties' placement preferences; and

(C) A copy of the child's or ward's independent assessment described in ORS 418.324.

(b) Notwithstanding paragraph (a)(C) of this subsection, if the independent assessment is not completed at the time the department files the motion under subsection (1) of this section, the department may file the motion under this section without the assessment and shall supplement the motion with a copy of the completed assessment immediately following the department's receipt of the completed assessment.

(3) The department shall provide an exact copy of the motion to each of the parties listed in ORS 419B.875.

(4) Upon receipt of a motion under this section, the court shall schedule a hearing to occur no later than 60 days following the date the child or ward is placed in the qualified residential treatment program.

(5)(a) The court shall enter an order approving or disapproving the placement and make specific determinations regarding the following:

(A) Whether the needs of the child or ward can be met through placement in a foster family home or in a proctor foster home as defined in ORS 418.205.

(B) If the court determines that the needs of the child or ward cannot be met through placement in a foster family home or proctor foster home, whether placement of the child or ward in the qualified residential treatment program:

(i) Provides the least restrictive setting to provide the most effective and appropriate level of care for the child or ward; and

(ii) Is consistent with the child's or ward's case plan.

(b) In addition to the determinations under paragraph (a) of this subsection, if the motion is for approval of the placement of a child or ward in an out-of-state child-caring agency that serves juvenile offenders, *[as defined in ORS 418.321 (6)]* **as those terms are defined in ORS 418.321**, the court may not approve the placement unless the court finds that the child or ward's placement in the out-of-state child-caring agency is the least restrictive setting available to meet the child or ward's treatment needs, taking into consideration all of the following:

(A) The nature of the services offered by the child-caring agency;

(B) The population served by the child-caring agency;

(C) The percentage of the child-caring agency's population that is juvenile offenders; and

(D) Whether the child-caring agency is required to file a report under the Prison Rape Elimination Act of 2003, 34 U.S.C. 30301 et seq.

(c) The court may receive testimony, reports or other material relating to the child's or ward's mental, physical and social history and prognosis without regard to the competency or relevancy

1 of the testimony, reports or other material under the rules of evidence.

2 (6) The court shall enter an order under subsection (5) of this section no later than 60 days
3 following the date the child or ward is placed in the qualified residential treatment program.

4 (7) If the court enters an order disapproving the child's or ward's placement, the department
5 shall move the child or ward to a placement that provides care, supervision and services that are
6 consistent with the court's order no later than 30 days following the date the court enters the order.

7 **SECTION 18.** ORS 418.322 is amended to read:

8 418.322. (1) As used in this section:

9 (a) "Congregate care residential setting" means any setting that cares for more than one child
10 or ward and is not a setting described in ORS 418.205 (2)(c)(A), (D), (E) or (F) or [(10)] (11).

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

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

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

20 (b) A qualified residential treatment program described in ORS 418.323.

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

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

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

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

29 (d) The Oregon Health Authority has approved the placement as medically necessary and the
30 child-caring agency:

31 (A) Is a residential care facility;

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

34 (C) Has an active provider agreement with the Oregon Medicaid program.

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

39 (f) The placement with the child-caring agency is for the purpose of placing the child or ward
40 in a proctor foster home.

41 (g) The child-caring agency is a residential care facility licensed by the department that provides
42 short-term assessment and stabilization services.

43 (h) The child-caring agency is a shelter-care home, as defined in ORS 418.470, that provides
44 short-term assessment and stabilization services.

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

department that provides short-term assessment and stabilization services.

(j) The ward is 18 years of age or older and the child-caring agency is a residential treatment facility or a residential home licensed or certified by the department or the Oregon Health Authority.

(4) The department may not place a child or ward in a residential care facility or shelter-care home described in subsection (3)(g) or (h) of this section:

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

(b) If the residential care facility or shelter-care home also serves youths or adjudicated youths served by the county juvenile department or adjudicated youths committed to the custody of the Oregon Youth Authority by the court.

(5) The department may not place a child or ward in a homeless, runaway or transitional living shelter described in subsection (3)(i) of this section for more than 60 consecutive or 90 cumulative days in any 12-month period.

(6) Calculations of the number of days a child or ward is placed in a shelter-care home under subsection (3)(h) of this section or a homeless, runaway or transitional living shelter under subsection (3)(i) of this section exclude the days the child or ward is in the shelter-care home or shelter if the child or ward:

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

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

(7)(a) Nothing in this section prohibits the Oregon Youth Authority from placing an adjudicated youth committed to its custody in a placement that is not a qualified residential treatment program.

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

RESTRAINT AND SECLUSION OF CHILDREN IN CARE

SECTION 19. Substantiation exception for lapsed certification. (1) The Department of Human Services may not substantiate an allegation of abuse against an individual under ORS 418.259 arising out of the individual's restraint of a child in care in violation of ORS 418.521 or 418.523 for the sole reason that the individual's certification issued under ORS 418.529 is not current.

(2) As used in this section:

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

(b) "Restraint" has the meaning given that term in ORS 418.519.

MISCELLANEOUS

SECTION 20. Captions. The unit and section 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 21. Effective date. 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.

