

## SENATE AMENDMENTS TO SENATE BILL 1532

By COMMITTEE ON HUMAN SERVICES

February 17

1 On page 1 of the printed bill, delete line 3 and insert “418.322, 419B.351, 427.005, 427.024,  
2 427.026, 427.181, 427.191 and 441.736; and declaring an emergency.”.

3 Delete lines 5 through 22 and delete pages 2 through 15 and insert:  
4

### “RESIDENTIAL AND LONG TERM CARE

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6  
7 “**SECTION 1.** ORS 441.736 is amended to read:

8 “441.736. (1) As used in this section:

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

12 “(b) ‘License condition’ includes but is not limited to:

13 “(A) Restricting the total number of residents;

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

16 “(C) Requiring additional staff or staff qualifications;

17 “(D) Requiring additional training for staff;

18 “(E) Requiring additional documentation; or

19 “(F) Restriction of admissions.

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

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

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

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

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

35 “(a) **A preliminary finding of immediate jeopardy that is reasonably likely to result in a**

1 **substantiated finding; or**

2 **“(b) A substantiated finding of immediate jeopardy.**

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

6 **“(b) If the department imposes a license condition based on a preliminary finding of im-**  
7 **mediate jeopardy and the preliminary finding is not substantiated within 30 days after the**  
8 **imposition of the license condition, the department shall immediately notify the facility and**  
9 **remove the license condition.**

10 **“(b) (5) The department shall impose a license condition in a scope and manner that is specif-**  
11 **ically designed to remediate the finding that led to the license condition.**

12 **“(c) If the department imposes a license condition in response to a finding of immediate jeopardy**  
13 **to residents of the facility, and the finding of immediate jeopardy to residents of the facility is not**  
14 **substantiated within 30 days after the imposition of the license condition, the department shall imme-**  
15 **diately remove the license condition.]**

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

19 **“(i) (A) Describe the acts or omissions of the facility and the circumstances that led to the**  
20 **substantiated finding of rule violation or finding of immediate jeopardy supporting the imposition**  
21 **of the license condition;**

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

24 **“(iii) (C) Provide a brief statement identifying the nature of the license condition;**

25 **“(iv) (D) Provide a brief statement describing how the license condition is designed to reme-**  
26 **diate the circumstances that led to the license condition; and**

27 **“(v) (E) Provide a brief statement of the requirements for withdrawal of the license condition.**

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

32 **“(e) (7) An order imposing a license condition must include:**

33 **“(A) (a) A specific description of how the scope and manner of the license condition is de-**  
34 **signed to remediate the findings that led to the license condition; and**

35 **“(B) (b) A specific description of the requirements for withdrawal of the license condition.**

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

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

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

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

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

4       “[(3)] (9) The department may impose a license condition that includes a restriction on admis-  
5       sions to the facility only if the department makes a finding of immediate jeopardy that is likely to  
6       present an immediate jeopardy to future residents upon admission.

7       “[(4)(a)] (10)(a) Following the imposition of a license condition on a facility, the department  
8       shall:

9       “(A) Within 15 business days of receipt of the facility’s written assertion of substantial compli-  
10       ance with the requirements set forth by the department for withdrawal of the license condition, re-  
11       inspect or reevaluate the facility to determine whether the facility has achieved substantial  
12       compliance with the requirements;

13       “(B) Notify the facility by telephone or electronic means of the findings of the reinspection or  
14       reevaluation within five business days after completion of the reinspection or reevaluation; and

15       “(C) Issue a written report to the facility within 30 days after the reinspection or reevaluation  
16       notifying the facility of the department’s determinations regarding substantial compliance with the  
17       requirements necessary for withdrawal of the license condition.

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

21       “(c) If after reinspection or reevaluation the department determines that the violation for which  
22       the license condition was imposed continues to exist, the department may not withdraw the license  
23       condition, and the department is not obligated to reinspect or reevaluate the facility again for 45  
24       days after the first reinspection or reevaluation. The department shall provide the decision not to  
25       withdraw the license condition to the facility in writing and inform the facility of the right to a  
26       contested case hearing pursuant to ORS chapter 183. Nothing in this paragraph limits the  
27       department’s authority to visit or inspect the facility at any time.

28       “(d) If the department does not meet the requirements of this subsection, a license condition is  
29       automatically removed on the date the department failed to meet the requirements of this sub-  
30       section, unless the Director of Human Services extends the applicable period for no more than 15  
31       business days. The director may not delegate the power to make a determination regarding an ex-  
32       tension under this paragraph.

33       “**SECTION 2. (1) As used in this section, ‘residential care facility’ means a residential**  
34       **care facility as defined in ORS 443.400, including an assisted living facility and a facility with**  
35       **a memory care endorsement under ORS 443.886.**

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

39       “**SECTION 3. (1) Notwithstanding ORS 443.415, 443.416, 443.436, 443.441, 443.443, 443.735,**  
40       **443.755 and 443.886, the Department of Human Services and the Oregon Health Authority**  
41       **may take reasonable steps to achieve substantial compliance with the terms of ORS 443.415,**  
42       **443.416, 443.436, 443.441, 443.443, 443.735, 443.755 and 443.886, as those sections are amended**  
43       **by sections 1, 7, 8, 10 to 13 and 15, chapter 619, Oregon Laws 2025, on or before January 1,**  
44       **2027.**

45       “(2) The department and the authority shall comply fully with the terms of ORS 443.415,

1 443.416, 443.436, 443.441, 443.443, 443.735, 443.755 and 443.886, as those sections are amended  
2 by sections 1, 7, 8, 10 to 13 and 15, chapter 619, Oregon Laws 2025, no later than January 1,  
3 2027.

4  
5 **“DEVELOPMENTAL DISABILITIES SERVICES**

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7 **“SECTION 4.** ORS 427.005 is amended to read:

8 **“427.005.** As used in this chapter, **unless the context requires otherwise:**

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

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

13 **“[(2)] (3) ‘Care’** means:

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

15 **“(b)** Supervision;

16 **“(c)** Protection; and

17 **“(d)** Assistance in bathing, dressing, grooming, eating, management of money, transportation or  
18 recreation.

19 **“[(3)] (4) ‘Community developmental disabilities program director’** means the director of a com-  
20 munity developmental disabilities program described in ORS 430.620 (1)(a) or (c).

21 **“[(4)] (5) ‘Competitive integrated employment’** has the meaning given that term in 29 U.S.C. 705.

22 **“[(5)] (6) ‘Developmental disability’** means autism, cerebral palsy, epilepsy or other condition  
23 diagnosed by a qualified professional that:

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

25 **“(b)** Results in a significant impairment in adaptive behavior as measured by a qualified profes-  
26 sional;

27 **“(c)** Is not attributed primarily to other conditions including, but not limited to, a mental or  
28 emotional disorder, sensory impairment, substance abuse, personality disorder, learning disability  
29 or attention deficit hyperactivity disorder; and

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

31 **“[(6)] (7) ‘Director of the facility’** means the person in charge of care, treatment and training  
32 programs at a facility.

33 **“(8) ‘Direct support professional’ means an individual who is hired, employed, trained,**  
34 **paid and supervised by an agency to provide care or employment services, as defined in ORS**  
35 **427.101, to a client of the agency.**

36 **“[(7)] (9) ‘Facility’** means a group home, activity center, community mental health clinic or other  
37 facility or program that the Department of Human Services approves to provide necessary services  
38 to persons with intellectual or developmental disabilities.

39 **“[(8)] (10) ‘Incapacitated’** means a person is unable, without assistance, to properly manage or  
40 take care of personal affairs, including but not limited to financial and medical decision-making, or  
41 is incapable, without assistance, of self-care.

42 **“[(9)] (11) ‘Independence’** means the extent to which persons with intellectual or developmental  
43 disabilities exert control and choice over their own lives.

44 **“[(10)] (12) ‘Integration’** means:

45 **“(a)** Use by persons with intellectual or developmental disabilities of the same community re-

1 sources that are used by and available to other persons;

2 “(b) Participation by persons with intellectual or developmental disabilities in the same com-  
3 munity activities in which persons without disabilities participate, together with regular contact  
4 with persons without disabilities; and

5 “(c) Residence by persons with intellectual or developmental disabilities in homes or in home-  
6 like settings that are in proximity to community resources, together with regular contact with per-  
7 sons without disabilities in their community.

8 “[~~(11)(a)~~] **(13)(a)** ‘Intellectual disability’ means an intelligence quotient of 70 or below as meas-  
9 ured by a qualified professional and existing concurrently with significant impairment in adaptive  
10 behavior, that is manifested before the individual is 18 years of age.

11 “(b) An individual with intelligence quotients of 71 through 75 may be considered to have an  
12 intellectual disability if there is also significant impairment in adaptive behavior, as diagnosed and  
13 measured by a qualified professional.

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

15 “[~~(12)~~] **(14)** ‘Minor’ means an unmarried person under 18 years of age.

16 “[~~(13)~~] **(15)** ‘Naturopathic physician’ has the meaning given the term in ORS 685.010.

17 “[~~(14)~~] **(16)** ‘Physician’ means a person licensed by the Oregon Medical Board to practice medi-  
18 cine and surgery.

19 “[~~(15)~~] **(17)** ‘Service coordination’ means person-centered planning, case management, procuring,  
20 coordinating and monitoring of services under an individualized support plan to establish desired  
21 outcomes, determine needs and identify resources for a person with intellectual or developmental  
22 disabilities and advocating for the person.

23 “[~~(16)~~] **(18)** ‘Training’ means:

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

26 “(b) The planned sequence of systematic interactions, activities, structured learning situations  
27 or education designed to meet each person’s specified needs in the areas of physical, emotional, in-  
28 tellectual and social growth.

29 “[~~(17)~~] **(19)** ‘Treatment’ means the provision of specific physical, mental, social interventions and  
30 therapies that halt, control or reverse processes that cause, aggravate or complicate malfunctions  
31 or dysfunctions.

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

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

35 “427.024. (1) The Department of Human Services shall adopt rules to ensure fiscal transparency  
36 in the provision of community-based services to individuals with intellectual or developmental disa-  
37 bilities and to ensure individuals with intellectual or developmental disabilities receive high quality  
38 services from [*providers that are licensed, certified or endorsed by the department to provide*  
39 *community-based services*] **agencies**. At a minimum, the rules must establish, for [*providers of*  
40 *community-based services to individuals with intellectual or developmental disabilities*] **agencies**:

41 “(a) Requirements to annually submit staffing data to a reporting survey organization specified  
42 by the department;

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

44 “(A) A disclosure of executive compensation and benefits;

45 “(B) A disclosure of starting, average and highest wages for direct support professionals that

1 are employed by, under contract with or otherwise engaged with the [*provider*] **agency** to deliver  
2 community-based services to individuals with intellectual or developmental disabilities;

3 “(C) A disclosure of the [*provider’s*] **agency’s** overhead expenses and expenditures; and

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

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

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

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

12 “(f) A process for the consideration of the regulatory and safety compliance and operational  
13 experience of all [*providers*] **agencies** in this state or in any other jurisdiction when issuing an ini-  
14 tial license, certification or endorsement or renewing a license, certification or endorsement.

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

18 “**SECTION 7.** ORS 427.026 is amended to read:

19 “427.026. (1) As used in this section:

20 “[*(a)*] ‘Agency’ means an entity that is certified and endorsed by the Department of Human Services  
21 to provide services to individuals with intellectual or developmental disabilities.]

22 “[*(b)*] (a) ‘Ownership interest’ means:

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

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

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

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

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

31 “[*(c)*] (b) ‘Provider’ means:

32 “(A) An agency;

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

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

36 “[*(d)*] (c) ‘Responsible person’ means:

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

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

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

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

1 provider:

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

5 “(b) For at least 12 months if a responsible person alters, conceals, destroys or otherwise ma-  
6 nipulates records or directs an employee or substitute caregiver to alter, conceal, destroy or other-  
7 wise manipulate records.

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

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

16 “**SECTION 8.** ORS 427.181 is amended to read:

17 “427.181. (1) As used in this section and ORS 410.855:

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

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

23 “(i) Self-direction; and

24 “(ii) The roles and responsibilities of the individual and the agency with choice services pro-  
25 vider;

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

29 “(C) Other administrative and employment-related supports.

30 “(b) ‘Individual’ means a child or adult with an intellectual or developmental disability who re-  
31 ceives in-home services and supports through the Department of Human Services.

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

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

36 “(4) Minimum qualifications for agencies endorsed to deliver agency with choice services in-  
37 clude, but are not limited to:

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

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

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

44 “(5) The department may not endorse an agency to provide agency with choice services if the  
45 owner of the agency or an executive officer of the agency has been convicted of Medicaid fraud in

1 any state within the 25-year period prior to the certification.

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

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

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

8 “(c) Verification of the completion of training required for each direct support [*worker*] **pro-  
9 fessional**.

10 “**SECTION 9.** ORS 427.191 is amended to read:

11 “427.191. (1) As used in this section:

12 “[*a*] ‘Agency’ means an agency that hires, trains and supervises direct support professionals using  
13 state funds received from the Department of Human Services.]

14 “[*b*] (a) ‘Attendant care services’ means services provided directly to an individual with a  
15 disability to assist with activities of daily living, instrumental activities of daily living and health-  
16 related tasks.

17 “[*c*] (b) ‘Child’ means an individual under 18 years of age who:

18 “(A) Has a developmental or intellectual disability; or

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

22 “[*d*] (c) ‘Client’ means an individual who receives attendant care services.

23 “[*e*] (d) ‘Client child’ means a child who receives attendant care services from the child’s par-  
24 ent.

25 “[*f*] (e) ‘Developmental disability services’ has the meaning given that term in ORS 427.101.

26 “[*g*] ‘Direct support professional’ means an individual who is hired, employed, trained, paid and  
27 supervised by an agency to provide attendant care services to a client of the agency.]

28 “[*h*] (f) ‘Nonparent caregiver’ means a direct support professional, personal support worker or  
29 similar provider who is paid to provide attendant care services to clients who are not the provider’s  
30 children.

31 “[*i*] (g) ‘Parent’ includes a:

32 “(A) Natural or adoptive parent of a child;

33 “(B) Stepparent of a child; and

34 “(C) Legal guardian of a child.

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

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

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

41 “(B) ‘Personal support worker’ does not include a direct support professional.

42 “[*L*] (j) ‘State plan’ means Oregon’s state plan for medical assistance, described in 42 U.S.C.  
43 1396a, approved by the Centers for Medicare and Medicaid Services.

44 “[*m*] (k) ‘Very high behavioral needs’ means a minor child’s extraordinary needs for support  
45 due to the child’s behavioral condition as indicated by a federally approved functional needs as-

1 sessment adopted by the department that assigns the child to the highest service level.

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

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

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

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

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

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

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

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

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

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

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

31 “(ii) Homeschool the client child; or

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

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

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

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

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

44 “(c) Unless they are included as a goal or service in the child’s individual support plan and re-  
45 lated to the child’s disability-related support needs, may not perform tasks that are not for the pri-

1    mary benefit of the client child, including but not limited to:

2       “(A) Grocery shopping for the household;

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

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

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

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

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

11       “(b) Must clearly state that the assignment is limited to decisions regarding the development  
12 and implementation of the child’s individual support plan and does not limit the authority of the  
13 parent provider to make decisions for the client child with respect to health care, education or re-  
14 ligious training.

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

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

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

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

26       “(c) Training requirements for:

27       “(A) Parent providers regarding federal and state administrative rules regulating home-based  
28 and community-based services, including the impact of the rules on parent-child relationships with  
29 respect to discipline, supervision, physical intervention and self-determination of client children  
30 during the hours that the parent provider is being paid to provide attendant care services;

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

33       “(C) Community developmental disability programs related to the employment of parent provid-  
34 ers, including on how to support families to manage issues concerning conflicts of interest, provider  
35 recruitment and retention and the empowerment of the client child to have a meaningful voice in  
36 the selection of the client child’s direct support professionals;

37       “(d) A process for a client child to object to the hiring of any caregiver, including the child’s  
38 parent, or to raise concerns about a provider’s caregiving;

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

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

43       “(g) Other requirements that the department deems necessary to carry out the provisions of this  
44 section.

45       “(9) The department may adopt rules necessary to manage the cost, size and growth rate of the

1 program described in this section that are necessary to protect the eligibility for and levels of ser-  
2 vices under programs serving individuals receiving developmental disability services provided for in  
3 the state plan, including the development of criteria to limit the number of children eligible to par-  
4 ticipate in the program.

5 “(10) Annually, the department shall report to the interim committees of the Legislative As-  
6 sembly related to human services or, if the Legislative Assembly is in session, to the committees of  
7 the Legislative Assembly related to human services, in the manner provided in ORS 192.245, updates  
8 on the program described in this section, including:

9 “(a) The number of client children receiving attendant care services, the number of children  
10 receiving the services from parent providers and the number of children receiving the services from  
11 nonparent caregivers;

12 “(b) The number of hours of attendant care services provided by parent providers and number  
13 of hours of attendant care services provided by nonparent caregivers;

14 “(c) A comparison of the cost per child of providing attendant care services by parent providers  
15 under the program with the cost per child of providing attendant care services by nonparent  
16 caregivers; and

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

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

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

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

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

26  
27 **“PLACEMENT DECISIONS**  
28

29 **“SECTION 11. Sections 12 and 13 of this 2026 Act are added to and made a part of ORS**  
30 **418.205 to 418.327.**

31 **“SECTION 12. Out-of-state placement exceptions. (1) Notwithstanding ORS 418.321 or**  
32 **418.322, if there is reason to know, as described in ORS 419B.636, that a child is an Indian**  
33 **child, the Department of Human Services may place the child in an out-of-state institution**  
34 **meeting the criteria described in ORS 419B.654 (1)(d)(B)(iv) without requiring the institution**  
35 **to be licensed by or under contract with the department or to be a qualified residential**  
36 **treatment program if:**

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

38 **“(b) The department provides at least 10 days’ notice to the court and the parties of the**  
39 **proposed placement or, if the delay caused by providing this notice would likely result in**  
40 **serious physical or emotional harm to the child, endanger the child’s life or cause loss of**  
41 **placement availability, the department shall provide the notice to the court and the parties**  
42 **as soon as practicable and in no event later than one business day after the child leaves this**  
43 **state.**

44 **“(2) ORS 418.321 does not apply to the department’s placement of a child in an out-of-**  
45 **state child-caring agency if:**

1       “(a) The placement is for the purpose of placing the child or ward in a relative foster  
2 home or pre-adoptive family placement that has been selected and approved by the depart-  
3 ment;

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

6       “(c) The child is not placed in a congregate care residential setting, as defined in ORS  
7 418.322; and

8       “(d) The placement complies with the requirements of the Interstate Compact on the  
9 Placement of Children.

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

15       “(2) Notwithstanding subsection (1) of this section, if a child placed in an out-of-state  
16 child-caring agency requires secure transport from an out-of-state location due to an emer-  
17 gency, a department child welfare services employee is not required to accompany the child  
18 if the time it would take for the employee to travel to the child’s out-of-state location would  
19 pose a risk to the health, safety or welfare of the child. If a department child welfare ser-  
20 vices employee does not accompany a child transported to an alternate out-of-state place-  
21 ment, as provided in this subsection, the child welfare services employee must immediately  
22 travel to meet the child at the new out-of-state facility.

23       “(3) As used in this section, ‘out-of-state child-caring agency’ has the meaning given that  
24 term in ORS 418.321.

25       “SECTION 14. Access to out-of-state eating disorder program. (1) ORS 418.321 does not  
26 apply to the Department of Human Services’ admission of a child in an out-of-state eating  
27 disorder treatment program if:

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

29       “(b) The child’s treating provider is not employed by or contracted with by the depart-  
30 ment;

31       “(c) The child’s treating provider determines that the child requires admission to the  
32 out-of-state eating disorder treatment program because the child’s needs related to the eat-  
33 ing disorder cannot be met by an eating disorder treatment program in this state;

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

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

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

41       “(g) The child’s admission to the out-of-state eating disorder treatment program is ap-  
42 proved by the court prior to the child leaving this state or, if the time it would take for the  
43 court to approve the admission would threaten the child’s life, the child’s admission is ap-  
44 proved by the court as soon as practicable after the child leaves this state; and

45       “(h) The director of the division of the department that administers the state child wel-

1 fare program authorizes the department's request for the child to be considered for admis-  
2 sion to the out-of-state eating disorder program.

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

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

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

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

12 **“(d) The department shall provide necessary supports to the child's family or foster  
13 family to participate in the child's treatment, including through the purchase of transporta-  
14 tion or lodging, as appropriate.**

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

17 **“SECTION 15.** ORS 418.321 is amended to read:

18 **“418.321. (1) Except as provided in section 12 of this 2026 Act, and** subject to ORS 418.322,  
19 the Department of Human Services may place a child in an out-of-state child-caring agency only if:

20 **“(a) The [out-of-state child-caring] agency is licensed to provide or engage in the provision of  
21 care or services by the department under ORS 418.205 to 418.327 and complies with the licensing  
22 requirements under ORS 418.215;**

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

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

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

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

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

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

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

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

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

44 **“(B) No later than 15 days after accepting placement of a child from a new entity, the [child-  
45 caring] agency must notify the department in writing of the [child-caring] agency's association with**

1 the new entity. The notice must include the name and contact information of the new entity and the  
2 name and contact information of an individual associated with the new entity.

3 “(C) The [*child-caring*] agency must make mandatory reports of child abuse, as defined in ORS  
4 418.257 and 419B.005, involving Oregon children both to the centralized child abuse reporting system  
5 described in ORS 418.190 and as required under the laws of the state in which the [*child-caring*]  
6 agency is located.

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

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

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

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

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

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

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

32 “(I) The [*child-caring*] agency must ensure staffing ratio and staff training and education re-  
33 quirements that meet, at a minimum, the standards set by the department by rule for intensive be-  
34 havioral support services.

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

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

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

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

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

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

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

7 “(a) Identify a process for expediting review of the child’s eligibility for developmental disability  
8 services.

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

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

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

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

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

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

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

30 “(c) The department may place a child in an out-of-state child-caring agency that provides care  
31 to juvenile offenders **only** if:

32 “(A) The [*child-caring*] agency is a qualified residential treatment program licensed by the de-  
33 partment;

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

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

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

42 “**(6) As used in this section, ‘out-of-state child-caring agency’ means a provider of**  
43 **children’s care or services in a state other than Oregon that would be required to be li-**  
44 **icensed, certified or otherwise authorized by the department under ORS 418.240 if the pro-**  
45 **vider provided the care or services in this state.**

1       “**SECTION 16.** ORS 418.205 is amended to read:  
2       “418.205. As used in ORS 418.205 to 418.327, 418.330, 418.470, 418.475, 418.950 to 418.970 and  
3 418.992 to 418.998, unless the context requires otherwise:  
4       “(1) ‘Child’ means an unmarried person under 21 years of age who resides in or receives care  
5 or services from a child-caring agency.  
6       “(2)(a) ‘Child-caring agency’ means:  
7       “(A) Any private school, private agency, private organization or county program providing:  
8       “(i) Day treatment for children with emotional disturbances;  
9       “(ii) Adoption placement services;  
10       “(iii) Residential care, including but not limited to foster care or residential treatment for chil-  
11 dren;  
12       “(iv) Residential care in combination with academic education and therapeutic care, including  
13 but not limited to treatment for emotional, behavioral or mental health disturbances;  
14       “(v) Outdoor youth programs; or  
15       “(vi) Other similar care or services for children.  
16       “(B) Any private organization or person that provides secure transportation services as defined  
17 in ORS 418.241 during any segment of a child’s trip to or from a child-caring agency, certified foster  
18 home as defined in ORS 418.241 or developmental disabilities residential facility as defined in ORS  
19 418.241, if the route of the child’s trip begins or ends in this state.  
20       “(b) ‘Child-caring agency’ includes the following:  
21       “(A) A shelter-care home that is not a foster home subject to ORS 418.625 to 418.645;  
22       “(B) An independent residence facility as described in ORS 418.475 that meets the standards  
23 established by the Department of Human Services by rule to be considered a child-caring agency;  
24       “(C) A private residential boarding school;  
25       “(D) A child-caring facility as defined in ORS 418.950; and  
26       “(E) A secure nonemergency medical transportation provider, as defined in ORS 418.241.  
27       “(c) ‘Child-caring agency’ does not include:  
28       “(A) Residential facilities or foster care homes certified or licensed by the Department of Human  
29 Services under ORS 443.400 to 443.455, 443.830 and 443.835 for children receiving developmental  
30 disability services;  
31       “(B) Any private agency or organization facilitating the provision of respite services for parents  
32 pursuant to a properly executed power of attorney under ORS 109.056. For purposes of this subpar-  
33 agraph, ‘respite services’ means the voluntary assumption of short-term care and control of a minor  
34 child without compensation or reimbursement of expenses for the purpose of providing a parent in  
35 crisis with relief from the demands of ongoing care of the parent’s child;  
36       “(C) A youth job development organization as defined in ORS 344.415;  
37       “(D) A shelter-care home that is a foster home subject to ORS 418.625 to 418.645;  
38       “(E) A foster home subject to ORS 418.625 to 418.645;  
39       “(F) A facility that exclusively serves individuals 18 years of age and older; or  
40       “(G) A facility that primarily serves both adults and children but requires that any child must  
41 be accompanied at all times by at least one custodial parent or guardian.  
42       “(3) ‘Child-caring facility’ has the meaning given that term in ORS 418.950.  
43       “(4)(a) ‘County program’ means any county operated program that provides care or services to  
44 children:  
45       “(A) In the custody of the Department of Human Services or the Oregon Youth Authority; or

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

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

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

7 “(6) ‘Independent residence facility’ means a facility as described in ORS 418.475.

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

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

12 “(A) Operated by a governmental entity;

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

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

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

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

18 “[8] (9) ‘Private’ means not owned, operated or administered by any governmental agency or  
19 unit.

20 “[9] (10) ‘Private residential boarding school’ means either of the following as the context re-  
21 quires:

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

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

27 “[10] (11) ‘Proctor foster home’ means a foster home certified by a child-caring agency under  
28 ORS 418.248 that is not subject to ORS 418.625 to 418.645.

29 “[11] (12) ‘Provider of care or services for children’ means a person, entity or organization that  
30 provides care or services to children, regardless of whether the child is in the custody of the De-  
31 partment of Human Services, and that does not otherwise meet the definition of, or requirements for,  
32 a child-caring agency. ‘Provider of care or services for children’ includes a proctor foster home  
33 certified by a child-caring agency under ORS 418.248.

34 “[12] (13) ‘Qualified residential treatment program’ means a program described in ORS 418.323.

35 “[13] (14) ‘Shelter-care home’ has the meaning given that term in ORS 418.470.

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

37 “419B.351. (1) The Department of Human Services shall move the court for approval of a place-  
38 ment no later than 30 days following the date the department placed, or will place, a child or ward  
39 in a qualified residential treatment program described in ORS 418.323.

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

41 “(A) The date of the placement;

42 “(B) To the extent practicable, the parties’ placement preferences; and

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

44 “(b) Notwithstanding paragraph (a)(C) of this subsection, if the independent assessment is not  
45 completed at the time the department files the motion under subsection (1) of this section, the de-

1 partment may file the motion under this section without the assessment and shall supplement the  
2 motion with a copy of the completed assessment immediately following the department's receipt of  
3 the completed assessment.

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

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

9 “(5)(a) The court shall enter an order approving or disapproving the placement and make spe-  
10 cific determinations regarding the following:

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

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

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

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

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

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

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

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

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

30 “(c) The court may receive testimony, reports or other material relating to the child's or ward's  
31 mental, physical and social history and prognosis without regard to the competency or relevancy  
32 of the testimony, reports or other material under the rules of evidence.

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

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

38 “**SECTION 18.** ORS 418.322 is amended to read:

39 “418.322. (1) As used in this section:

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

42 “(b) ‘Sex trafficking’ means the recruitment, harboring, transportation, provision, obtaining, pa-  
43 tronizing or soliciting of a person under 18 years of age for the purpose of a commercial sex act,  
44 as defined in ORS 163.266, or the recruitment, harboring, transportation, provision or obtaining of  
45 a person over 18 years of age using force, fraud or coercion for the purpose of a commercial sex

1 act, as defined in ORS 163.266.

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

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

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

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

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

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

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

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

17 “(A) Is a residential care facility;

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

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

21 “(e) The child-caring agency is an adolescent residential drug and alcohol treatment program  
22 licensed or certified by the State of Oregon to provide residential care, and the court has approved,  
23 or approval is pending for, the placement in the child-caring agency of each child or ward over  
24 whom the department retains jurisdiction.

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

27 “(g) The child-caring agency is a residential care facility licensed by the department that pro-  
28 vides short-term assessment and stabilization services.

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

31 “(i) The child-caring agency is a homeless, runaway or transitional living shelter licensed by the  
32 department that provides short-term assessment and stabilization services.

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

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

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

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

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

45 “(6) Calculations of the number of days a child or ward is placed in a shelter-care home under

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

4 “(a) Accessed the shelter-care home or shelter without the support or direction of the depart-  
5 ment; and

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

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

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

12  
13 **“RESTRAINT AND SECLUSION OF CHILDREN IN CARE**

14  
15 **“SECTION 19. Substantiation exception for lapsed certification. (1) The Department of**  
16 **Human Services may not substantiate an allegation of abuse against an individual under ORS**  
17 **418.259 arising out of the individual’s restraint of a child in care in violation of ORS 418.521**  
18 **or 418.523 for the sole reason that the individual’s certification issued under ORS 418.529 is**  
19 **not current.**

20 **“(2) As used in this section:**

21 **“(a) ‘Child in care’ has the meaning given that term in ORS 418.257.**

22 **“(b) ‘Restraint’ has the meaning given that term in ORS 418.519.**

23  
24 **“MISCELLANEOUS**

25  
26 **“SECTION 20. Captions. The unit and section captions used in this 2026 Act are provided**  
27 **only for the convenience of the reader and do not become part of the statutory law of this**  
28 **state or express any legislative intent in the enactment of this 2026 Act.**

29 **“SECTION 21. Effective date. This 2026 Act being necessary for the immediate preserva-**  
30 **tion of the public peace, health and safety, an emergency is declared to exist, and this 2026**  
31 **Act takes effect on its passage.”.**