

Requested by Senator GELSER BLOUIN

**PROPOSED AMENDMENTS TO  
SENATE BILL 1532**

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

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

6 **“RESIDENTIAL AND LONG TERM CARE**  
7

8 **“SECTION 1.** ORS 441.736 is amended to read:  
9

10 “441.736. (1) As used in this section:  
11

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

16 “(b) ‘License condition’ includes but is not limited to:  
17

18 “(A) Restricting the total number of residents;  
19

20 “(B) Restricting the number and impairment level of residents based upon  
21 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;

“(E) Requiring additional documentation; or

1       “(F) Restriction of admissions.

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

5       “[(c)] (d) **‘Substantial compliance’ means a level of compliance with state**  
6 **law and with rules of the department such that any identified deficiencies**  
7 **pose a risk of no more than negligible harm to the health or safety of resi-**  
8  **dents of a residential care facility or a long term care facility.**

9       “[(2)(a)] *The department may impose a condition on the license of a resi-*  
10 *dential care facility or long term care facility in response to a substantiated*  
11 *finding of rule violation, including but not limited to a substantiated finding*  
12 *of abuse, and shall impose a condition on the license in response to a finding*  
13 *of immediate jeopardy, whether or not the finding of immediate jeopardy is*  
14 *substantiated at the time the license condition is imposed.]*

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

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

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

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

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

28       “(b) **If the department imposes a license condition based on a pre-**  
29 **liminary finding of immediate jeopardy and the preliminary finding is**  
30 **not substantiated within 30 days after the imposition of the license**

1 **condition, the department shall immediately notify the facility and**  
2 **remove the license condition.**

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

6 “[*c*] *If the department imposes a license condition in response to a finding*  
7 *of immediate jeopardy to residents of the facility, and the finding of immediate*  
8 *jeopardy to residents of the facility is not substantiated within 30 days after*  
9 *the imposition of the license condition, the department shall immediately re-*  
10 *move the license condition.*]

11 “[*d*](A) (6)(a) Except as provided in [*subparagraph (B) of this*  
12 *paragraph*] **paragraph (b) of this subsection**, the department shall provide  
13 a facility with a notice of impending imposition of license condition at least  
14 48 hours before issuing an order imposing a license condition. The notice  
15 must:

16 “[*i*] (A) Describe the acts or omissions of the facility and the circum-  
17 stances that led to the substantiated finding of rule violation or finding of  
18 immediate jeopardy supporting the imposition of the license condition;

19 “[*ii*] (B) Describe why the acts or omissions and the circumstances cre-  
20 ate a situation for which the imposition of a license condition is warranted;

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

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

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

28 “[*B*] (b) If the threat to residents of a facility is so imminent that the  
29 department determines it is not safe or practical to give the facility advance  
30 notice, the department must provide the notice required under this [*para-*

1 *graph*] **subsection** within 48 hours of issuing an order imposing the license  
2 condition.

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

4 “[*A*] (a) A specific description of how the scope and manner of the li-  
5 cense condition is designed to remediate the findings that led to the license  
6 condition; and

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

9 **“(8) For a license condition that is imposed in response to a pre-  
10 liminary finding or substantiated finding of immediate jeopardy, the  
11 order must also include a summary of the evidence demonstrating  
12 that:**

13 **“(a) The facility has failed to meet one or more health, safety or  
14 quality rules or regulations;**

15 **“(b) As a result of the facility’s noncompliance described in para-  
16 graph (a) of this subsection, serious injury, serious harm, serious  
17 impairment or death has occurred or is likely to occur if the non-  
18 compliance is not corrected;**

19 **“(c) The facility has not demonstrated that the noncompliance de-  
20 scribed in paragraph (a) of this subsection has been corrected; and**

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

25 “[*3*] (9) The department may impose a license condition that includes a  
26 restriction on admissions to the facility only if the department makes a  
27 finding of immediate jeopardy that is likely to present an immediate jeopardy  
28 to future residents upon admission.

29 “[*4(a)*] (10)(a) Following the imposition of a license condition on a fa-  
30 cility, the department shall:

1       “(A) Within 15 business days of receipt of the facility’s written assertion  
2 of substantial compliance with the requirements set forth by the department  
3 for withdrawal of the license condition, reinspect or reevaluate the facility  
4 to determine whether the facility has achieved substantial compliance with  
5 the requirements;

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

9       “(C) Issue a written report to the facility within 30 days after the rein-  
10 spection or reevaluation notifying the facility of the department’s determi-  
11 nations regarding substantial compliance with the requirements necessary  
12 for withdrawal of the license condition.

13       “(b) If the department finds that the facility has achieved substantial  
14 compliance regarding the violation for which the license condition was im-  
15 posed, and finds that systems are in place to ensure similar deficiencies do  
16 not reoccur, the department shall withdraw the license condition.

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

26       “(d) If the department does not meet the requirements of this subsection,  
27 a license condition is automatically removed on the date the department  
28 failed to meet the requirements of this subsection, unless the Director of  
29 Human Services extends the applicable period for no more than 15 business  
30 days. The director may not delegate the power to make a determination re-

1 guarding an extension under this paragraph.

2 **“SECTION 2. (1) As used in this section, ‘residential care facility’**  
3 **means a residential care facility as defined in ORS 443.400, including**  
4 **an assisted living facility and a facility with a memory care endorse-**  
5 **ment under ORS 443.886.**

6 **“(2) The Department of Human Services shall adopt by rule a model**  
7 **consent form for the use of a video camera or other electronic moni-**  
8 **toring device in a resident’s room at a residential care facility.**

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

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

20

21 **“DEVELOPMENTAL DISABILITIES SERVICES**

22

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

24 **“427.005. As used in this chapter, unless the context requires other-**  
25 **wise:**

26 **“(1) ‘Adaptive behavior’ means the effectiveness or degree with which an**  
27 **individual meets the standards of personal independence and social respon-**  
28 **sibility expected for age and cultural group.**

29 **“(2) ‘Agency’ means an entity that is certified and endorsed by the**  
30 **Department of Human Services to provide services to individuals with**

1 **intellectual or developmental disabilities.**

2 “[2] (3) ‘Care’ means:

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

5 “(b) Supervision;

6 “(c) Protection; and

7 “(d) Assistance in bathing, dressing, grooming, eating, management of  
8 money, transportation or recreation.

9 “[3] (4) ‘Community developmental disabilities program director’ means  
10 the director of a community developmental disabilities program described in  
11 ORS 430.620 (1)(a) or (c).

12 “[4] (5) ‘Competitive integrated employment’ has the meaning given that  
13 term in 29 U.S.C. 705.

14 “[5] (6) ‘Developmental disability’ means autism, cerebral palsy, epilepsy  
15 or other condition diagnosed by a qualified professional that:

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

18 “(b) Results in a significant impairment in adaptive behavior as measured  
19 by a qualified professional;

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

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

26 “[6] (7) ‘Director of the facility’ means the person in charge of care,  
27 treatment and training programs at a facility.

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

1 **agency.**

2 “[7] (9) ‘Facility’ means a group home, activity center, community men-  
3 tal health clinic or other facility or program that the Department of Human  
4 Services approves to provide necessary services to persons with intellectual  
5 or developmental disabilities.

6 “[8] (10) ‘Incapacitated’ means a person is unable, without assistance,  
7 to properly manage or take care of personal affairs, including but not limited  
8 to financial and medical decision-making, or is incapable, without assistance,  
9 of self-care.

10 “[9] (11) ‘Independence’ means the extent to which persons with intel-  
11 lectual or developmental disabilities exert control and choice over their own  
12 lives.

13 “[10] (12) ‘Integration’ means:

14 “(a) Use by persons with intellectual or developmental disabilities of the  
15 same community resources that are used by and available to other persons;

16 “(b) Participation by persons with intellectual or developmental disabili-  
17 ties in the same community activities in which persons without disabilities  
18 participate, together with regular contact with persons without disabilities;  
19 and

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

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

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



1 professional.

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

4 “[~~(12)~~] (14) ‘Minor’ means an unmarried person under 18 years of age.

5 “[~~(13)~~] (15) ‘Naturopathic physician’ has the meaning given the term in  
6 ORS 685.010.

7 “[~~(14)~~] (16) ‘Physician’ means a person licensed by the Oregon Medical  
8 Board to practice medicine and surgery.

9 “[~~(15)~~] (17) ‘Service coordination’ means person-centered planning, case  
10 management, procuring, coordinating and monitoring of services under an  
11 individualized support plan to establish desired outcomes, determine needs  
12 and identify resources for a person with intellectual or developmental disa-  
13 bilities and advocating for the person.

14 “[~~(16)~~] (18) ‘Training’ means:

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

17 “(b) The planned sequence of systematic interactions, activities, struc-  
18 tured learning situations or education designed to meet each person’s speci-  
19 fied needs in the areas of physical, emotional, intellectual and social growth.

20 “[~~(17)~~] (19) ‘Treatment’ means the provision of specific physical, mental,  
21 social interventions and therapies that halt, control or reverse processes that  
22 cause, aggravate or complicate malfunctions or dysfunctions.

23 **“SECTION 5. ORS 427.024, 427.181 and 427.191 and section 10 of this  
24 2026 Act are added to and made a part of ORS chapter 427.**

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

26 “427.024. (1) The Department of Human Services shall adopt rules to en-  
27 sure fiscal transparency in the provision of community-based services to in-  
28 dividuals with intellectual or developmental disabilities and to ensure  
29 individuals with intellectual or developmental disabilities receive high qual-  
30 ity services from [*providers that are licensed, certified or endorsed by the de-*

1 *partment to provide community-based services*] **agencies**. At a minimum, the  
2 rules must establish, for [*providers of community-based services to individuals*  
3 *with intellectual or developmental disabilities*] **agencies**:

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

6 “(b) Requirements to submit an annual report to the department that in-  
7 cludes:

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

9 “(B) A disclosure of starting, average and highest wages for direct support  
10 professionals that are employed by, under contract with or otherwise engaged  
11 with the [*provider*] **agency** to deliver community-based services to individ-  
12 uals with intellectual or developmental disabilities;

13 “(C) A disclosure of the [*provider’s*] **agency’s** overhead expenses and ex-  
14 penditures; and

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

16 “(c) Requirements to ensure that wages and health benefits paid to direct  
17 support professionals delivering community-based supports reflect any in-  
18 crease in rates approved by the Legislative Assembly for the purpose of im-  
19 proving wages and health benefits;

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

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

25 “(f) A process for the consideration of the regulatory and safety compli-  
26 ance and operational experience of all [*providers*] **agencies** in this state or  
27 in any other jurisdiction when issuing an initial license, certification or  
28 endorsement or renewing a license, certification or endorsement.

29 “(2) Rules adopted by the department must, to the greatest extent practi-  
30 cable, consolidate new reporting requirements with existing reporting re-

1 quirements to avoid the need for [*providers*] **agencies** to make duplicative  
2 reports of the same information.

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

4 “427.026. (1) As used in this section:

5 “[*(a)*] ‘Agency’ means an entity that is certified and endorsed by the De-  
6 partment of Human Services to provide services to individuals with intellectual  
7 or developmental disabilities.]

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

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

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

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

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

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

20 “[*(c)*] (b) ‘Provider’ means:

21 “(A) An agency;

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

25 “(C) A developmental disability child foster home, as defined in ORS  
26 443.830.

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

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

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

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

6 “(2) The Department of Human Services may revoke the license, certifi-  
7 cate or endorsement of a provider and deny any new application for a li-  
8 cense, certificate or endorsement submitted by the provider:

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

13 “(b) For at least 12 months if a responsible person alters, conceals, de-  
14 stroys or otherwise manipulates records or directs an employee or substitute  
15 caregiver to alter, conceal, destroy or otherwise manipulate records.

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

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

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

27 “427.181. (1) As used in this section and ORS 410.855:

28 “(a) ‘Agency with choice services’ means support given to an individual  
29 in self-directing the individual’s services or in managing staff who are pro-  
30 viding in-home services and supports to the individual, using a person-

1 centered approach to ensure that the individual is at the center of the  
2 decision-making process regarding what services are needed, including by  
3 providing:

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

5 “(i) Self-direction; and

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

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

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

13 “(b) ‘Individual’ means a child or adult with an intellectual or develop-  
14 mental disability who receives in-home services and supports through the  
15 Department of Human Services.

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

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

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

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

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

30 “(c) The ability to meet the state’s interest in preventing or mitigating

1 disruptions to individuals' in-home services and supports.

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

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

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

13 “(b) The zip codes where the direct support [*workers*] **professionals** pro-  
14 vided services; and

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

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

18 “427.191. (1) As used in this section:

19 “[*(a)* ‘Agency’ means an agency that hires, trains and supervises direct  
20 support professionals using state funds received from the Department of Hu-  
21 man Services.]

22 “[*(b)*] (a) ‘Attendant care services’ means services provided directly to an  
23 individual with a disability to assist with activities of daily living, instru-  
24 mental activities of daily living and health-related tasks.

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

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

27 “(B) Meets the eligibility criteria to receive services under the Medically  
28 Fragile (Hospital) Model Waiver or the Medically Involved Children’s  
29 Waiver approved by the Centers for Medicare and Medicaid Services under  
30 42 U.S.C. 1396n(c).

1       “[(d)] (c) ‘Client’ means an individual who receives attendant care ser-  
2 vices.

3       “[(e)] (d) ‘Client child’ means a child who receives attendant care services  
4 from the child’s parent.

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

7       “[(g)] *‘Direct support professional’ means an individual who is hired, em-  
8 ployed, trained, paid and supervised by an agency to provide attendant care  
9 services to a client of the agency.*]

10       “[(h)] (f) ‘Nonparent caregiver’ means a direct support professional, per-  
11 sonal support worker or similar provider who is paid to provide attendant  
12 care services to clients who are not the provider’s children.

13       “[(i)] (g) ‘Parent’ includes a:

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

15       “(B) Stepparent of a child; and

16       “(C) Legal guardian of a child.

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

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

21       “[(k)(A)] (i)(A) ‘Personal support worker’ means an individual who is  
22 employed by a client or the client’s representative and paid to provide at-  
23 tendant care services to the client.

24       “(B) ‘Personal support worker’ does not include a direct support profes-  
25 sional.

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

29       “[(m)] (k) ‘Very high behavioral needs’ means a minor child’s extraor-  
30 dinary needs for support due to the child’s behavioral condition as indicated

1 by a federally approved functional needs assessment adopted by the depart-  
2 ment that assigns the child to the highest service level.

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

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

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

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

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

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

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

23 “(B) Shall pay parent providers overtime at the same rate and under the  
24 same circumstances as direct support professionals who are not parent pro-  
25 viders;

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



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

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

8 “(ii) Homeschool the client child; or

9 “(iii) Enroll the client child in a private school that offers fewer school  
10 hours than the school hours offered by the local public school to the major-  
11 ity of students in the same grade as the client child.

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

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

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

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

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

27 “(A) Grocery shopping for the household;

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

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

1 “(D) Transporting individuals other than the client child to or from ac-  
2 tivities or appointments.

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

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

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

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

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

23 “(a) Strategies to safeguard nonparent caregivers and avoid the displace-  
24 ment of nonparent caregivers by parent providers;

25 “(b) Requirements for agencies to demonstrate consistent efforts to re-  
26 cruit, train and retain nonparent caregivers;

27 “(c) Training requirements for:

28 “(A) Parent providers regarding federal and state administrative rules  
29 regulating home-based and community-based services, including the impact  
30 of the rules on parent-child relationships with respect to discipline, super-

1 vision, physical intervention and self-determination of client children during  
2 the hours that the parent provider is being paid to provide attendant care  
3 services;

4 “(B) Client children to learn to advocate for themselves with respect to  
5 choosing and managing direct support professionals before and after reaching  
6 18 years of age; and

7 “(C) Community developmental disability programs related to the em-  
8 ployment of parent providers, including on how to support families to man-  
9 age issues concerning conflicts of interest, provider recruitment and  
10 retention and the empowerment of the client child to have a meaningful  
11 voice in the selection of the client child’s direct support professionals;

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

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

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

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

22 “(9) The department may adopt rules necessary to manage the cost, size  
23 and growth rate of the program described in this section that are necessary  
24 to protect the eligibility for and levels of services under programs serving  
25 individuals receiving developmental disability services provided for in the  
26 state plan, including the development of criteria to limit the number of  
27 children eligible to participate in the program.

28 “(10) Annually, the department shall report to the interim committees of  
29 the Legislative Assembly related to human services or, if the Legislative  
30 Assembly is in session, to the committees of the Legislative Assembly related

1 to human services, in the manner provided in ORS 192.245, updates on the  
2 program described in this section, including:

3 “(a) The number of client children receiving attendant care services, the  
4 number of children receiving the services from parent providers and the  
5 number of children receiving the services from nonparent caregivers;

6 “(b) The number of hours of attendant care services provided by parent  
7 providers and number of hours of attendant care services provided by non-  
8 parent caregivers;

9 “(c) A comparison of the cost per child of providing attendant care ser-  
10 vices by parent providers under the program with the cost per child of pro-  
11 viding attendant care services by nonparent caregivers; and

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

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

19 **“(1) Shall reflect the reduced overhead costs to the agency as a re-**  
20 **sult of the direct support professional residing with the client;**

21 **“(2) May not reduce the hours of service for which the client is el-**  
22 **igible; and**

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

24

25 **“PLACEMENT DECISIONS**

26

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

29 **“SECTION 12. Out-of-state placement exceptions. (1) Notwith-**  
30 **standing ORS 418.321 or 418.322, if there is reason to know, as described**

1 in ORS 419B.636, that a child is an Indian child, the Department of  
2 Human Services may place the child in an out-of-state institution  
3 meeting the criteria described in ORS 419B.654 (1)(d)(B)(iv) without  
4 requiring the institution to be licensed by or under contract with the  
5 department or to be a qualified residential treatment program if:

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

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

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

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

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

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

24 “(d) The placement complies with the requirements of the Inter-  
25 state Compact on the Placement of Children.

26 **SECTION 13. Accompaniment of child in care in an out-of-state**  
27 **placement.** (1) If the Department of Human Services places a child in  
28 an out-of-state child-caring agency, a department child welfare ser-  
29 vices employee must accompany the child when the child is trans-  
30 ported to the initial out-of-state placement, any time the child is

1 moved to a new placement and any time the child is moved by secure  
2 transport.

3 “(2) Notwithstanding subsection (1) of this section, if a child placed  
4 in an out-of-state child-caring agency requires secure transport from  
5 an out-of-state location due to an emergency, a department child  
6 welfare services employee is not required to accompany the child if the  
7 time it would take for the employee to travel to the child’s out-of-state  
8 location would pose a risk to the health, safety or welfare of the child.  
9 If a department child welfare services employee does not accompany  
10 a child transported to an alternate out-of-state placement, as provided  
11 in this subsection, the child welfare services employee must imme-  
12 diately travel to meet the child at the new out-of-state facility.

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

15 “SECTION 14. ORS 418.321 is amended to read:

16 “418.321. (1) **Except as provided in section 12 of this 2026 Act, and**  
17 subject to ORS 418.322, the Department of Human Services may place a child  
18 in an out-of-state child-caring agency only if:

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

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

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

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

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

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

6 “(3) **If the department is required under this section to have a con-**  
7 **tract with an out-of-state child-caring agency:**

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

11 “(b) The contract must, at a minimum, meet the following [*criteria*] **re-**  
12 **quirements:**

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

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

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

27 “(D) The [*child-caring*] agency must allow the department full access to  
28 the [*child-caring*] agency’s facilities, residents, records and personnel as  
29 necessary for the department to conduct child abuse investigations and li-  
30 censing activities or investigations.

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

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

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

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

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

21 “(H) Except with respect to protected information described in ORS  
22 418.256 (5), the [*child-caring*] agency may not ask or require an employee or  
23 volunteer to sign a nondisclosure or other agreement prohibiting the em-  
24 ployee or volunteer from the good faith disclosure of information concerning  
25 the abuse or mistreatment of a child who is in the care of the [*child-caring*]  
26 agency, violations of licensing or certification requirements, criminal activ-  
27 ity at the [*child-caring*] agency, violations of state or federal laws or any  
28 practice that threatens the health and safety of a child in the care of the  
29 [*child-caring*] agency.

30 “(I) The [*child-caring*] agency must ensure staffing ratio and staff training



1 and education requirements that meet, at a minimum, the standards set by  
2 the department by rule for intensive behavioral support services.

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

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

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

12 “(M) Genetic testing, including testing for psychopharmacological pur-  
13 poses, must be approved by a court and may not be included as a standing  
14 order for a child in care.

15 “(N) Neither the [*child-caring*] agency nor its contractors or volunteers  
16 may use chemical or mechanical restraints on a child, including during se-  
17 cure transport.

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

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

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

28 “(b) Require that a multidisciplinary [*review*] team, including administra-  
29 tors in the developmental disability services program, review the placement  
30 before the child is placed out-of-state.

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

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

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

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

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

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

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

29 “(A) The [*child-caring*] agency is a qualified residential treatment pro-  
30 gram licensed by the department;

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

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

4 “(D) Prior to the hearing to approve the placement, the court and all  
5 parties to the dependency case have been informed of the nature of the ser-  
6 vices offered by the program and of the population served by the program,  
7 and the court, having considered the nature of the services and composition  
8 of the facility population and the report of the qualified individual, has  
9 found that placement in the facility is the least restrictive setting available  
10 to appropriately meet the child’s treatment needs.

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

16 “**SECTION 15.** ORS 418.205 is amended to read:

17 “418.205. As used in ORS 418.205 to 418.327, 418.330, 418.470, 418.475,  
18 418.950 to 418.970 and 418.992 to 418.998, unless the context requires other-  
19 wise:

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

22 “(2)(a) ‘Child-caring agency’ means:

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

25 “(i) Day treatment for children with emotional disturbances;

26 “(ii) Adoption placement services;

27 “(iii) Residential care, including but not limited to foster care or resi-  
28 dential treatment for children;

29 “(iv) Residential care in combination with academic education and  
30 therapeutic care, including but not limited to treatment for emotional, be-

1 havioral or mental health disturbances;

2 “(v) Outdoor youth programs; or

3 “(vi) Other similar care or services for children.

4 “(B) Any private organization or person that provides secure transporta-  
5 tion services as defined in ORS 418.241 during any segment of a child’s trip  
6 to or from a child-caring agency, certified foster home as defined in ORS  
7 418.241 or developmental disabilities residential facility as defined in ORS  
8 418.241, if the route of the child’s trip begins or ends in this state.

9 “(b) ‘Child-caring agency’ includes the following:

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

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

15 “(C) A private residential boarding school;

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

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

19 “(c) ‘Child-caring agency’ does not include:

20 “(A) Residential facilities or foster care homes certified or licensed by the  
21 Department of Human Services under ORS 443.400 to 443.455, 443.830 and  
22 443.835 for children receiving developmental disability services;

23 “(B) Any private agency or organization facilitating the provision of re-  
24 spite services for parents pursuant to a properly executed power of attorney  
25 under ORS 109.056. For purposes of this subparagraph, ‘respite services’  
26 means the voluntary assumption of short-term care and control of a minor  
27 child without compensation or reimbursement of expenses for the purpose  
28 of providing a parent in crisis with relief from the demands of ongoing care  
29 of the parent’s child;

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

1 “(D) A shelter-care home that is a foster home subject to ORS 418.625 to  
2 418.645;

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

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

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

9 “(3) ‘Child-caring facility’ has the meaning given that term in ORS  
10 418.950.

11 “(4)(a) ‘County program’ means any county operated program that pro-  
12 vides care or services to children:

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

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

16 “(b) ‘County program’ does not include any local juvenile detention fa-  
17 cility that receives state services provided and coordinated by the Depart-  
18 ment of Corrections under ORS 169.070.

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

23 “(6) ‘Independent residence facility’ means a facility as described in ORS  
24 418.475.

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

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

30 “(A) Operated by a governmental entity;

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

2 “(C) Licensed by the Department of Human Services under other author-  
3 ity of the department; or

4 “(D) Operated by a youth job development organization as defined in ORS  
5 344.415.

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

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

10 “[9] (10) ‘Private residential boarding school’ means either of the fol-  
11 lowing as the context requires:

12 “(a) A child-caring agency that is a private school that provides residen-  
13 tial care in combination with academic education and therapeutic care, in-  
14 cluding but not limited to treatment for emotional, behavioral or mental  
15 health disturbances; or

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

18 “[10] (11) ‘Proctor foster home’ means a foster home certified by a  
19 child-caring agency under ORS 418.248 that is not subject to ORS 418.625 to  
20 418.645.

21 “[11] (12) ‘Provider of care or services for children’ means a person,  
22 entity or organization that provides care or services to children, regardless  
23 of whether the child is in the custody of the Department of Human Services,  
24 and that does not otherwise meet the definition of, or requirements for, a  
25 child-caring agency. ‘Provider of care or services for children’ includes a  
26 proctor foster home certified by a child-caring agency under ORS 418.248.

27 “[12] (13) ‘Qualified residential treatment program’ means a program  
28 described in ORS 418.323.

29 “[13] (14) ‘Shelter-care home’ has the meaning given that term in ORS  
30 418.470.

1       **“SECTION 16.** ORS 419B.351 is amended to read:

2       “419B.351. (1) The Department of Human Services shall move the court  
3 for approval of a placement no later than 30 days following the date the  
4 department placed, or will place, a child or ward in a qualified residential  
5 treatment program described in ORS 418.323.

6       “(2)(a) The motion for approval of the placement must include, at a min-  
7 imum:

8       “(A) The date of the placement;

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

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

12       “(b) Notwithstanding paragraph (a)(C) of this subsection, if the inde-  
13 pendent assessment is not completed at the time the department files the  
14 motion under subsection (1) of this section, the department may file the mo-  
15 tion under this section without the assessment and shall supplement the  
16 motion with a copy of the completed assessment immediately following the  
17 department’s receipt of the completed assessment.

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

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

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

25       “(A) Whether the needs of the child or ward can be met through place-  
26 ment in a foster family home or in a proctor foster home as defined in ORS  
27 418.205.

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

1 program:

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

4 “(ii) Is consistent with the child’s or ward’s case plan.

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

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

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

15 “(C) The percentage of the child-caring agency’s population that is juve-  
16 nile offenders; and

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

19 “(c) The court may receive testimony, reports or other material relating  
20 to the child’s or ward’s mental, physical and social history and prognosis  
21 without regard to the competency or relevancy of the testimony, reports or  
22 other material under the rules of evidence.

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

26 “(7) If the court enters an order disapproving the child’s or ward’s place-  
27 ment, the department shall move the child or ward to a placement that pro-  
28 vides care, supervision and services that are consistent with the court’s order  
29 no later than 30 days following the date the court enters the order.

30 **SECTION 17.** ORS 418.322 is amended to read:



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

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

5 “(b) ‘Sex trafficking’ means the recruitment, harboring, transportation,  
6 provision, obtaining, patronizing or soliciting of a person under 18 years of  
7 age for the purpose of a commercial sex act, as defined in ORS 163.266, or  
8 the recruitment, harboring, transportation, provision or obtaining of a person  
9 over 18 years of age using force, fraud or coercion for the purpose of a  
10 commercial sex act, as defined in ORS 163.266.

11 “(2) The Department of Human Services may place a child or ward in a  
12 congregate care residential setting only if the setting is:

13 “(a) A child-caring agency, as defined in ORS 418.205, a hospital, as de-  
14 fined in ORS 442.015, or a rural hospital, as defined in ORS 442.470; and

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

16 “(3) Notwithstanding subsection (2) of this section, the department may  
17 place a child or ward in a child-caring agency that is not a qualified resi-  
18 dential treatment program if:

19 “(a) The child-caring agency is providing prenatal, postpartum or parent-  
20 ing supports to the child or ward.

21 “(b) The child or ward is placed in an independent residence facility de-  
22 scribed in ORS 418.475 that is licensed by the department as a child-caring  
23 agency.

24 “(c) The child or ward is, or is at risk of becoming, a victim of sex traf-  
25 ficking and the child-caring agency is providing high-quality residential care  
26 and supportive services to the child or ward.

27 “(d) The Oregon Health Authority has approved the placement as med-  
28 ically necessary and the child-caring agency:

29 “(A) Is a residential care facility;

30 “(B) Is licensed by the authority and maintains site-specific accreditation

1 from a nationally recognized organization to provide psychiatric treatment  
2 to children; and

3 “(C) Has an active provider agreement with the Oregon Medicaid pro-  
4 gram.

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

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

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

14 “(h) The child-caring agency is a shelter-care home, as defined in ORS  
15 418.470, that provides short-term assessment and stabilization services.

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

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

22 “(4) The department may not place a child or ward in a residential care  
23 facility or shelter-care home described in subsection (3)(g) or (h) of this sec-  
24 tion:

25 “(a) For more than 60 consecutive days or 90 cumulative days in a  
26 12-month period; or

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

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

4 “(6) Calculations of the number of days a child or ward is placed in a  
5 shelter-care home under subsection (3)(h) of this section or a homeless, run-  
6 away or transitional living shelter under subsection (3)(i) of this section ex-  
7 clude the days the child or ward is in the shelter-care home or shelter if the  
8 child or ward:

9 “(a) Accessed the shelter-care home or shelter without the support or di-  
10 rection of the department; and

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

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

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

19  
20 **“RESTRAINT AND SECLUSION OF CHILDREN IN CARE**

21  
22 **“SECTION 18. Substantiation exception for lapsed certification. (1)**  
23 **The Department of Human Services may not substantiate an**  
24 **allegation of abuse against an individual under ORS 418.259 arising out**  
25 **of the individual’s restraint of a child in care in violation of ORS**  
26 **418.521 or 418.523 for the sole reason that the individual’s certification**  
27 **issued under ORS 418.529 is not current.**

28 **“(2) As used in this section:**

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

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

1 "MISCELLANEOUS

2

3 "SECTION 19. Captions. The unit and section captions used in this  
4 2026 Act are provided only for the convenience of the reader and do  
5 not become part of the statutory law of this state or express any leg-  
6 islative intent in the enactment of this 2026 Act.

7 "SECTION 20. Effective date. This 2026 Act being necessary for the  
8 immediate preservation of the public peace, health and safety, an  
9 emergency is declared to exist, and this 2026 Act takes effect on its  
10 passage."  
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