

**A-Engrossed**  
**Senate Bill 574**

Ordered by the Senate March 8  
Including Senate Amendments dated March 8

Sponsored by Senator GELSER BLOUIN; Senators DEMBROW, THATCHER, Representatives HUDSON, MCLAIN  
(Presession filed.)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Prohibits use of public funds for out-of-state residential placement of students. Creates exceptions. Directs Department of Education to adopt rules.]* **Authorizes school district to use public funds for out-of-state placement of students only if specified criteria are satisfied. Creates exceptions. Authorizes Department of Human Services to charge school district for licensing-related costs.**

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to out-of-state residential placements of students; and declaring an emergency.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) **“Child-caring agency” has the meaning given that term in ORS 418.205.**

6 (b) **“Public funds” means moneys drawn from the State Treasury or any special or trust**  
7 **fund of the state government, including any moneys appropriated by the state government**  
8 **and transferred to any public body, as defined in ORS 174.109, and any other moneys under**  
9 **the control of a public official by virtue of office.**

10 (2) **A school district may use public funds to place a student of any age in an out-of-state**  
11 **child-caring agency only if:**

12 (a) **The out-of-state child-caring agency satisfies the licensing criteria under ORS 418.321**  
13 **(1)(a) and (2);**

14 (b) **The school district has a current contract with the child-caring agency; and**

15 (c) **The school district’s contract with the child-caring agency, at a minimum:**

16 (A) **Requires the child-caring agency to provide the school district with a current list of**  
17 **every entity for which the child-caring agency is providing placement services at the time**  
18 **the contract is executed;**

19 (B) **Requires the child-caring agency to provide the school district with the notification**  
20 **described in ORS 418.321 (3)(b)(B) no later than 15 days after accepting placement of a child**  
21 **from a new entity; and**

22 (C) **Satisfies the requirements under ORS 418.321 (3)(b)(C) to (O).**

23 (3) **The school district shall review the school district’s contract with an out-of-state**  
24 **child-caring agency prior to placing a student with the child-caring agency.**

25 (4) **The provisions of this section do not apply to the out-of-state residential placement**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 of a student in a public education program if the program meets the standards of an equiv-  
2 alent program in this state and the program is designated as a state school for the deaf or  
3 a state school for the blind.

4 (5) The Department of Human Services may charge a school district for the department's  
5 costs associated with the licensing, investigation and oversight of an out-of-state child-caring  
6 agency in which the school district places a student under this section.

7 **SECTION 2.** Section 1 of this 2023 Act applies to placements of students in out-of-state  
8 child-caring agencies on or after the effective date of this 2023 Act.

9 **SECTION 3.** This 2023 Act being necessary for the immediate preservation of the public  
10 peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect  
11 on its passage.

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