

HB 2956 -2, -3 STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

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Meeting Dates: 4/1, 4/8

WHAT THE MEASURE DOES:

The measure requires the Department of Human Services to study adult foster homes and submit a report to the Legislative Assembly by September 15, 2026. The measure sunsets on January 2, 2027.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

- Number of facilities available in Oregon
- Staffing ratios in adult foster homes
- Resident safety
- Building code requirements

EFFECT OF AMENDMENT:

-2 The amendment replaces the measure. It establishes a pilot program that would allow participating adult foster homes to serve up to seven, rather than up to five, residents.

Detailed Summary:

- Directs the Department of Human Service (DHS) to administer a pilot program that would allow participating adult foster homes (AFHs) to provide for up to seven, rather than five, adults.
- Instructs DHS to adopt rules for participating AFHs related to staffing ratios, shared occupancies of rooms, and requirements for AFHs to pass a physical inspection before participating in the pilot program.
- Specifies certain factors DHS must consider when approving an AFH for the pilot project, including:
 - The AFH's history of regulatory compliance, abuse complaints, and findings of investigations; and
 - Input from local regulatory authorities on the AFH's ability to take on additional residents.
- Directs DHS to consult with the Long Term Care Ombudsman (LTCO) and instructs the LTCO to make residents aware of services provided by the ombudsman.
- Requires DHS to collect specified data on the pilot program and to submit a report on the results of the pilot program to interim committees of the Legislative Assembly related to health by September 15, 2028.
- Sunsets January 2, 2029.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

-3 The amendment replaces the measure. It establishes a pilot program that would allow up to 30 participating adult foster homes (AFH) to serve up to seven, rather than five, residents. The amendment requires the Department of Human Services (DHS) to establish rules for participating AFHs, and to submit a report to the Legislative Assembly. It prohibits new enrollment in the pilot program after September 15, 2028, and prohibits AFHs from removing a resident admitted under the program after this date, unless the AFH can no longer provide care needed to the resident.

Detailed Summary:

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- Defines adult foster home (AFH) for purposes of the section as an AFH that is licensed to provide residential care to older adults or people with physical disabilities, and defines substantial compliance.
- Directs DHS to administer a pilot program to allow up to 30 AFHs to provide care to up to seven adults in the home.
- Instructs DHS to adopt rules for participating AFHs and outlines requirements of the rules, including that the AFH must be in substantial compliance with existing statutes in rules, and the AFH demonstrate ability to meet all needs of residents and safety requirements.
- Specifies certain factors DHS must consider when approving an AFH for the pilot program, including:
 - the AFH's compliance with regulatory compliance in the prior two years;
 - the history of abuse complaints and findings of investigators; and
 - input from local regulatory authority on the AFH's ability to take on additional residents.
- Directs DHS to consult with and provide certain information to the Long Term Care Ombudsman (LTCO) and instructs the LTCO to make residents aware of services provided by the ombudsman.
- Requires DHS to collect specified data on the pilot program and to submit a report to the Legislative Assembly by September 15, 2028.
- Prohibits DHS from enrolling new AFHs into the pilot program on September 15, 2028, prohibits AFHs from removing residents admitted under the pilot program unless under specified circumstances, and clarifies that DHS must continue to license an AFH that participated in the pilot program if the home continues to meet all other licensing criteria.
- Sunsets January 2, 2039.

REVENUE: *No revenue impact.*

FISCAL: *May have fiscal impact, but no statement yet issued.*

BACKGROUND:

Adult foster homes (AFHs) are licensed single-family residences that offer 24-hour care in homelike settings to older adults, adults with physical disabilities, adults with intellectual and developmental disabilities (I/DDs), or adults diagnosed with qualifying mental illnesses. Adult foster homes provide room and board to residents, as well as services that assist the residents in activities of daily living, such as assistance with bathing, dressing, grooming, and eating.

[ORS 443.705 to 443.825](#) governs adult foster homes, including licensing requirements, fees, and standards. AFHs that serve adults with mental illness are licensed and regulated by the Oregon Health Authority, while AFHs that serve older adults, individuals with physical disabilities, and individuals with intellectual and developmental disabilities are licensed and regulated by the Department of Human Services (DHS). Currently, all types of AFHs may only serve five or fewer adults.

The Legislative Assembly has previously considered bills that would have increased the number of residents that could be served in an AFH. [House Bill 3270 A](#), introduced in 2019, would have required DHS to administer a pilot program to permit participating AFHs to serve up to seven residents. [Senate Bill 1101 \(2023\)](#) would have permitted AFHs to care for up to six residents, [Senate Bill 1591 \(2024\)](#) would have permitted up to seven residents. None of these proposals were enacted.