

SB 811-2
(LC 322)
3/28/25 (RH/ps)

Requested by SENATE COMMITTEE ON HUMAN SERVICES

**PROPOSED AMENDMENTS TO
SENATE BILL 811**

On page 1 of the printed bill, delete lines 5 through 25 and delete pages 2 through 7 and insert:

“SECTION 1. ORS 443.415 is amended to read:

“443.415. (1) Applications for licensure to maintain and operate a residential facility shall be made to the Department of Human Services or the Oregon Health Authority on forms provided for that purpose by the appropriate licensing agency **and shall include the facility’s proposed policies and procedures regarding staff and administrator training, service planning, medication administration, food preparation and distribution, safety, emergency response, succession planning and facility closure.**

“(2) Each application shall be accompanied by a fee. No fee is required of any governmentally operated residential facility. **The application fee for:**

“[(2)](a) [*The application fee for*] A residential treatment facility is \$60.

“(b) [*The application fee for*] A residential training home or residential training facility shall be prescribed by the department pursuant to ORS 427.021.

“(c) [*The application fee for*] A residential treatment home is \$30.

“(d) [*The application fee for*] A residential care facility is:

“(A) For a facility with one to 15 beds, \$2,000.

1 “(B) For a facility with 16 to 49 beds, \$3,000.

2 “(C) For a facility with 50 to 99 beds, \$4,000.

3 “(D) For a facility with 100 to 150 beds, \$5,000.

4 “(E) For a facility with more than 150 beds, \$6,000.

5 “(3) Upon receipt of an application and fee, the licensing agency shall
6 conduct an in-person site inspection, including, for residential care facilities,
7 an inspection of the kitchen and other areas where food is prepared for res-
8 idents. *[The licensing agency shall issue a license to any applicant for opera-
9 tion of a residential facility in compliance with ORS 443.002 and 443.400 to
10 443.455 and the rules of the licensing agency. Licensure may be denied when
11 a residential facility is not in compliance with ORS 443.002 or 443.400 to
12 443.455 or the rules of the licensing agency.]*

13 “(4) **The licensing agency shall issue an initial license to a residen-**
14 **tial facility only if:**

15 “(a) **The facility is in compliance with ORS 443.002 and 443.400 to**
16 **443.455 and the rules of the licensing agency;**

17 “(b) **The licensing agency has completed an inspection of the facility**
18 **under this section; and**

19 “(c) **The licensing agency has reviewed and approved the facility’s**
20 **proposed policies and procedures submitted under subsection (1) of this**
21 **section.**

22 “(5) Licensure shall be denied if the State Fire Marshal, deputy or ap-
23 proved authority has given notice of noncompliance of a residential care fa-
24 cility, residential training facility or residential treatment facility pursuant
25 to ORS 479.220.

26 “**SECTION 2.** ORS 443.416 is amended to read:

27 “443.416. (1)(a) The Director of Human Services or authorized represen-
28 tative shall *[periodically]* visit and inspect every residential care facility,
29 residential training facility or residential training home to determine
30 whether it is maintained and operated in accordance with ORS **443.002 and**

1 443.400 to 443.455 and the rules of the director, and to consult with and ad-
2 vise management concerning methods of care, treatment, training, records,
3 housing and equipment. Employees of the Department of Human Services and
4 the State Fire Marshal or authorized representative on request shall be
5 permitted access to the premises and records of individuals in the facility
6 or home that are pertinent to fire safety.

7 **“(b) An inspection under this subsection shall be conducted at a**
8 **minimum:**

9 **“(A) No later than 120 days after an initial license is issued under**
10 **ORS 443.415;**

11 **“(B) No later than 120 days after a change in ownership of a resi-**
12 **dential care facility, residential training facility or residential training**
13 **home; and**

14 **“(C) Upon receipt of a license renewal application and fee under**
15 **ORS 443.425.**

16 **“(c) Inspections under this subsection may be conducted at other**
17 **times as determined by the licensing agency.**

18 **“(2)(a)** The Director of the Oregon Health Authority or authorized rep-
19 resentative shall [*periodically*] visit and inspect every residential treatment
20 facility or residential treatment home to determine whether it is maintained
21 and operated in accordance with **ORS 443.002 and** 443.400 to 443.455 and the
22 rules of the director, and to consult with and advise management concerning
23 methods of care, treatment, training, records, housing and equipment. Em-
24 ployees of the Oregon Health Authority and the State Fire Marshal or au-
25 thorized representative on request shall be permitted access to the premises
26 and records of individuals in the facility or home that are pertinent to fire
27 safety.

28 **“(b) An inspection under this subsection shall be conducted at a**
29 **minimum:**

30 **“(A) No later than 120 days after an initial license is issued under**

1 **ORS 443.415;**

2 **“(B) No later than 120 days after a change in ownership of a resi-**
3 **dential treatment facility or residential treatment home; and**

4 **“(C) Upon receipt of a license renewal application and fee under**
5 **ORS 443.425.**

6 **“(c) Inspections under this subsection may be conducted at other**
7 **times as determined by the licensing agency.**

8 **“SECTION 3.** ORS 443.425 is amended to read:

9 **“443.425. (1)** Licensure under ORS 443.415 is effective for two years from
10 the date of issue unless sooner revoked. Each license shall state:

11 **“(a)** The name of the person operating the residential facility;

12 **“(b)** The name of the person who owns the residential facility and, for a
13 residential training facility or a residential training home, all persons with
14 an ownership interest of five percent or more;

15 **“(c)** The address of the premises to which the license applies and the
16 maximum number of residents to be maintained in the residential facility at
17 any time whether the residential facility is licensed as a residential training
18 facility, a residential treatment facility, a residential care facility, a resi-
19 dential training home or residential treatment home; and

20 **“(d)** Other information that the Department of Human Services or the
21 Oregon Health Authority considers necessary.

22 **“(2)** A license is renewable upon submission of an application to the de-
23 partment or the authority [and], payment of a renewal fee **and completion**
24 **of an inspection under ORS 443.416.** No fee is required of a governmentally
25 operated residential facility. Filing of an application for renewal before the
26 date of expiration of a license extends the effective date of expiration of the
27 license until the licensing agency has acted upon the application. The li-
28 censing agency shall refuse to renew a license if:

29 **“(a)** The facility is not substantially in compliance with all applicable
30 laws and rules;

1 “(b) For a residential care facility, the facility has failed an inspection
2 of the kitchen or other areas where food is prepared for residents that was
3 conducted by the department in accordance with ORS 443.417, except as
4 provided in ORS 443.417 (2); or

5 “(c) The State Fire Marshal, deputy or approved authority has given no-
6 tice of noncompliance of a residential care facility, residential training fa-
7 cility or residential treatment facility pursuant to ORS 479.220.

8 “(3)[(a)] The biennial renewal fee for:

9 “(a) A residential training facility or a residential treatment facility is
10 \$60.

11 “(b) [*The biennial renewal fee for*] A residential training home is \$50.

12 “(c) [*The biennial renewal fee for*] A residential treatment home is \$30.

13 “(d) [*The biennial renewal fee for*] A residential care facility is:

14 “(A) For a facility with one to 15 beds, \$1,000.

15 “(B) For a facility with 16 to 49 beds, \$1,500.

16 “(C) For a facility with 50 to 99 beds, \$2,000.

17 “(D) For a facility with 100 to 150 beds, \$2,500.

18 “(E) For a facility with more than 150 beds, \$3,000.

19 “**SECTION 4.** ORS 443.735 is amended to read:

20 “443.735. (1) **As used in this section, ‘substantial compliance’ means**
21 **a level of compliance with state law and with rules of the Department**
22 **of Human Services such that identified deficiencies pose a risk of no**
23 **more than negligible harm to the health or safety of residents.**

24 “[*(1)(a)*] (2)(a) Applications for a license to maintain and operate an adult
25 foster home shall be made on forms provided by the licensing agency **and**
26 **shall include the home’s proposed policies and procedures regarding**
27 **staff and administrator training, service planning, medication admin-**
28 **istration, food preparation and distribution, safety, emergency re-**
29 **sponse, succession planning and facility closure.**

30 “(b) Each application submitted to the Department of Human Services for

1 an adult foster home serving individuals with intellectual or developmental
2 disabilities shall be accompanied by a fee prescribed by the department under
3 ORS 427.021.

4 **“(c) Each application submitted to the department for an adult**
5 **foster home serving older adults or individuals with physical disabili-**
6 **ties shall be accompanied by a fee prescribed by the department by**
7 **rule.**

8 ~~“(c) (d)~~ Each application submitted to the Oregon Health Authority[, or
9 *to the Department of Human Services for an adult foster home not serving*
10 *individuals with intellectual or developmental disabilities,*] shall be accompa-
11 nied by a fee of \$20 per bed requested for licensing.

12 ~~“(2) (3)~~ Upon receipt of an application and fee, the licensing agency
13 shall conduct an investigation, **including an in-person site inspection.**

14 ~~“(3) (4)~~ The licensing agency shall [not] issue an initial license [unless]
15 **only if:**

16 **“(a)** The applicant and adult foster home are in compliance with ORS
17 443.002 and 443.705 to 443.825 and the rules of the licensing agency;

18 **“(b)** The licensing agency has completed an inspection **under this section**
19 **of the adult foster home;**

20 **“(c) The licensing agency has reviewed and approved the adult fos-**
21 **ter home’s proposed policies and procedures submitted under sub-**
22 **section (2) of this section;**

23 ~~“(c) (d)~~ The licensing agency has completed a criminal records check
24 under ORS 181A.195 on the applicant and any person, other than a resident,
25 16 years of age or older who will be residing in the adult foster home. The
26 criminal records check shall be conducted in accordance with rules adopted
27 under ORS 181A.195;

28 ~~“(d) (e)~~ The licensing agency has determined that the registry main-
29 tained under ORS 441.678 contains no finding that the applicant or any
30 nursing assistant employed by the applicant has been responsible for abuse;

1 and

2 “[(e)] (f) The applicant has demonstrated to the licensing agency the fi-
3 nancial ability and resources necessary to operate the adult foster home. The
4 licensing agency shall adopt rules as the agency deems appropriate that es-
5 tablish the financial standards an applicant must meet to qualify for issuance
6 of a license and that protect financial information from public disclosure.
7 The demonstration of financial ability under this paragraph shall include,
8 but need not be limited to, providing the licensing agency with a list of any
9 unsatisfied judgments, pending litigation and unpaid taxes and notifying the
10 agency regarding whether the applicant is in bankruptcy. If the applicant is
11 unable to demonstrate the financial ability and resources required by this
12 paragraph, the licensing agency may require the applicant to furnish a fi-
13 nancial guarantee as a condition of initial licensure.

14 “[(4)] (5) The licensing agency [*may not*] **shall** renew a license under this
15 section [*unless*] **only if**:

16 “(a) The applicant and the adult foster home are in **substantial** compli-
17 ance with ORS 443.002, 443.012 and 443.705 to 443.825 and the rules of the
18 licensing agency;

19 “(b) The licensing agency has completed an inspection **under ORS 443.755**
20 of the adult foster home;

21 “(c) The licensing agency has completed a criminal records check under
22 ORS 181A.195 on the applicant and any person, other than a resident, 16
23 years of age or older who will be residing in the adult foster home. The
24 criminal records check under this paragraph shall be conducted in accord-
25 ance with rules adopted under ORS 181A.195; and

26 “(d) The licensing agency has determined that the registry maintained
27 under ORS 441.678 contains no finding that the applicant or any nursing
28 assistant employed by the applicant has been responsible for abuse.

29 “[(5)(a)] (6)(a) In seeking an initial license and renewal of a license when
30 an adult foster home has been licensed for less than 24 months, the burden

1 of proof shall be upon the provider and the adult foster home to establish
2 compliance with ORS 443.705 to 443.825 and the rules of the licensing agency.

3 “(b) In proceedings for renewal of a license when an adult foster home
4 has been licensed for at least 24 continuous months, the burden of proof shall
5 be upon the licensing agency to establish noncompliance with ORS 443.705
6 to 443.825 and the rules of the agency.

7 “[~~(6)(a)~~] **(7)(a)** Persons who have been convicted of one or more crimes
8 that, as determined by rules of the licensing agency, are substantially related
9 to the qualifications, functions or duties of a provider, substitute caregiver
10 or other household member of an adult foster home shall be prohibited from
11 operating, working in or residing in an adult foster home.

12 “(b) The licensing agency shall adopt rules that distinguish the criminal
13 convictions and types of abuse that permanently prohibit a person from op-
14 erating, working in or living in an adult foster home from the convictions
15 and types of abuse that do not permanently prohibit the person from oper-
16 ating, working in or living in an adult foster home.

17 “(c) A provider may not hire, retain in employment or allow to live in
18 an adult foster home, other than as a resident, any person who the provider
19 knows has been convicted of a disqualifying crime or has been found re-
20 sponsible for a disqualifying type of abuse.

21 “[~~(7)~~] **(8) Except as provided in subsection (9) of this section,** a license
22 under ORS 443.725 is effective for one year from the date of issue **or renewal**
23 unless sooner revoked.

24 “**(9)(a) For adult foster homes licensed by the Department of Human**
25 **Services, the department may extend the duration of a license to two**
26 **years if the department determines that the home has been in sub-**
27 **stantial compliance with ORS 443.002 and 443.705 to 443.825 and the**
28 **rules of the licensing agency for three consecutive years.**

29 “**(b) If the duration of an adult foster home’s license has been ex-**
30 **tended to two years under this subsection, the home shall remain on**

1 a two-year renewal cycle, unless the department determines that the
2 home is no longer in substantial compliance, at which time the de-
3 partment may return the home to a one-year renewal cycle.

4 “(10) Each license shall state the name of the resident manager of the
5 adult foster home, the names of all providers who own the adult foster home,
6 the address of the premises to which the license applies, the maximum num-
7 ber of residents and the classification of the adult foster home. If, during the
8 period covered by the license, a resident manager changes, the provider must
9 within 15 days request modification of the license. The request must be ac-
10 companied by a fee of \$10.

11 “[8)] (11) No license under ORS 443.725 is transferable or applicable to
12 any location, persons operating the adult foster home or the person owning
13 the adult foster home other than that indicated on the application for li-
14 censing.

15 “[9)] (12) The licensing agency shall not issue a license to operate an
16 additional adult foster home to a provider unless the provider has demon-
17 strated the qualifications and capacity to operate the provider’s existing li-
18 censed adult foster homes and has demonstrated the ability to provide to the
19 residents of those adult foster homes care that is adequate and substantially
20 free from abuse and neglect.

21 “[10)(a)] (13)(a) All moneys collected under ORS 443.725 to 443.780 from
22 adult foster homes that are licensed to serve persons with mental, emotional
23 or behavioral disturbances or alcohol or drug dependence shall be deposited
24 in a special account in the General Fund, and are appropriated continuously
25 for payment of expenses incurred by the Oregon Health Authority.

26 “(b) All moneys collected under ORS 443.725 to 443.780 from adult foster
27 homes licensed to serve persons who are elderly or have physical disabilities
28 shall be deposited in the Quality Care Fund established in ORS 443.001.

29 “[11)] (14) Notwithstanding any other provision of this section or ORS
30 443.725 or 443.738, the licensing agency may issue a 60-day provisional license

1 to a qualified person if the agency determines that an emergency situation
2 exists after being notified that the licensed provider of an adult foster home
3 is no longer overseeing operation of the adult foster home.

4 **“SECTION 5.** ORS 443.755 is amended to read:

5 **“443.755. (1)(a)** The licensing agency staff shall be permitted access to
6 enter and inspect all licensed adult foster homes. **The licensing agency**
7 **shall visit and inspect every adult foster home to determine whether**
8 **the home is maintained and operated in accordance with ORS 443.002**
9 **and 443.705 to 443.825 and the rules of the licensing agency, and to**
10 **consult with and advise the provider concerning methods of care,**
11 **treatment, training, records, housing and equipment.**

12 **“(b)** The licensing agency shall conduct an on-site inspection under
13 **this subsection at a minimum:**

14 **“(A)** No later than 120 days after an initial license is issued under
15 **ORS 443.735;**

16 **“(B)** Annually, regardless of whether the duration of the adult fos-
17 **ter home’s license has been extended to two years under ORS 443.735**
18 **(9); and**

19 **“(C)** Upon receipt of a license renewal application under ORS
20 **443.735.**

21 **“(c)** Inspections under this subsection may be conducted at other
22 **times as determined by the licensing agency.**

23 **“(2)** The licensing agency shall be permitted access to enter and inspect
24 any unlicensed adult foster home upon the receipt of an oral or written
25 complaint, or in case the agency itself has cause to believe that an adult
26 foster home is operating without a license or there exists a threat to the
27 health, safety or welfare of any resident. The licensing agency staff shall be
28 permitted access to the residents of adult foster homes in order to interview
29 residents privately and to inspect residents’ records.

30 **“[(2)] (3)** The state or local fire inspectors shall be permitted access to

1 enter and inspect adult foster homes regarding fire safety upon request of the
2 licensing agency.

3 “[~~(3)(a)~~] **(4)(a)** The licensing agency shall provide to each licensed adult
4 foster home in the state in writing in clear concise language readily com-
5 prehensible by the average person a copy of the inspection report of the most
6 recent inspection of that home conducted by the agency.

7 “(b) The provider shall post the inspection report in the entry or equally
8 prominent place and shall, upon request, provide a copy of the information
9 to each resident of, or person applying for admission to, the home, or the
10 legal representative, guardian or conservator of the resident or applicant.

11 **“SECTION 6.** ORS 443.886 is amended to read:

12 “443.886. (1) If a facility intends to provide care for residents with
13 Alzheimer’s disease or other forms of dementia by means of an endorsed
14 memory care community, the facility must obtain a memory care endorse-
15 ment on its license or registration.

16 “(2) The Department of Human Services, with the input from represen-
17 tatives of advocate groups and the long term care industry, shall adopt by
18 rule standards that ensure that the special needs of any resident with
19 Alzheimer’s disease or other form of dementia who is cared for in an en-
20 dored memory care community are met and that quality care is provided.
21 The standards must include but are not limited to provisions for:

22 “(a) Care planning, [*including physical*] **facility** design, staffing, staff **and**
23 **administrator** training, safety, egress control, **elopement notifications**,
24 individual care planning, admission **and transfer** policy, family involvement,
25 therapeutic activities and social services;

26 “(b) Continuity of basic care requirements, **including procedures to be**
27 **followed during emergency evacuations and facility closures**; and

28 “(c) Marketing and advertising of the availability of and services from
29 endorsed memory care communities.

30 “(3) The department shall adopt a fee schedule for memory care endorse-

ment, taking into account the type of facility and the number of residents.

“(4) The department shall enforce rules adopted under subsection (2) of this section and ORS 443.889 and shall allow a licensee or registrant to retain the memory care endorsement required to care for residents with Alzheimer’s disease or other forms of dementia only as long as the licensee or registrant complies with the rules.

“(5) The memory care endorsement may be suspended or revoked in the same manner as the license or registration is suspended or revoked.

“(6) Unless a facility has obtained the memory care endorsement required by subsection (1) of this section, the facility may not:

“(a) Advertise the facility as providing an Alzheimer’s care unit or memory care community; or

“(b) Market the facility as providing an Alzheimer’s care unit or memory care community.

“SECTION 7. (1) The amendments to ORS 443.415, 443.416, 443.425, 443.735 and 443.755 by sections 1 to 5 of this 2025 Act apply to licenses issued or renewed on or after the operative date specified in section 8 of this 2025 Act.

“(2) The amendments to ORS 443.886 by section 6 of this 2025 Act apply to memory care endorsements obtained on or after the operative date specified in section 8 of this 2025 Act.

“SECTION 8. (1) The amendments to ORS 443.415, 443.416, 443.425, 443.735, 443.755 and 443.886 by sections 1 to 6 of this 2025 Act become operative on January 1, 2026.

“(2) The Department of Human Services and the Oregon Health Authority may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department and the authority to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department and the authority by the

1 amendments to ORS 443.415, 443.416, 443.425, 443.735, 443.755 and 443.886
2 by sections 1 to 6 of this 2025 Act.

3 **“SECTION 9.** This 2025 Act takes effect on the 91st day after the
4 date on which the 2025 regular session of the Eighty-third Legislative
5 Assembly adjourns sine die.”.

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