

SB 1532 -1, -2, -4, -5 STAFF MEASURE SUMMARY

Senate Committee On Human Services

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Meeting Dates: 2/3, 2/5, 2/10

WHAT THE MEASURE DOES:

The measure modifies the authority of the Oregon Department of Human Services (ODHS) with regard to residential and long term care facilities, developmental disabilities services, and children in care. The measure declares an emergency and is effective on passage.

Detailed Summary:

Residential and Long Term Care

- Requires ODHS to impose a license condition on a residential or long term care facility based on a preliminary finding or substantiated finding of immediate jeopardy.
- Specifies criteria for ODHS to impose a license condition based on a preliminary finding or substantiated finding of immediate jeopardy.
- Directs ODHS to adopt a model consent form for using a video camera or electronic recording device in a resident's room at a residential care facility.
- Delays implementation of certain provisions relating to licensure and enforcement by ODHS and the Oregon Health Authority to January 1, 2027.

Developmental Disabilities Services

- Removes certain requirements from a biennial report to the legislature on the developmental disabilities services workforce.
- Directs the department to adopt a differentiated rate model for providers of attendant care services who live with their clients and specifies requirements for the rate model.

Placement Decisions

- Allows ODHS to place a child in care in an out-of-state placement that is:
 - Pursuant to the Indian Child Welfare Act (ICWA)
 - In a relative foster home or pre-adoptive family placement, or
 - In an inpatient or residential eating disorder treatment program approved by the state's Medicaid program
- Requires a department employee to accompany a child during transport to or between out-of-state placements, except during emergency circumstances.

Restraint and Seclusion of Children in Care

- Prohibits the department from substantiating an allegation of abuse of a child in care solely due to a person's lapsed certification for training on the use of restraint and seclusion.

Miscellaneous

- Declares emergency, effective on passage.

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

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

ISSUES DISCUSSED:

- Potential fiscal savings by reducing overhead costs for in-home providers

- Treatment services covered under Medicaid
- Interaction with Indian Child Welfare Act provisions
- Requirements for licensure and placement of children with family members in another state

EFFECT OF AMENDMENT:

-1 The amendment replaces provisions relating to developmental disabilities services. The amendment aligns statutory definitions and directs ODHS to adopt a differentiated rate model for agencies that employ direct support professionals who live with their clients.

Detailed Summary:

Developmental Disabilities Services

- Defines "agency" as an entity that is certified or endorsed by ODHS to provide services to individuals with intellectual or developmental disabilities.
- Defines "direct support professional" as an employee of an agency to provide care or employment services to clients of an agency.
- Replaces various statutory references to "providers" and "workers" with "agencies" and "direct support professionals," respectively.
- Directs the department to adopt a differentiated rate model for an agency that employs a direct support professional who resides with a client and specifies requirements for the rate model.

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

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

-2 The amendment replaces provisions relating to residential and long term care. The amendment modifies requirements for ODHS to impose a license condition on a residential or long term care facility in response to a finding of immediate jeopardy.

Detailed Summary:

Residential and Long Term Care

- Modifies requirements for ODHS to impose a license condition on a facility in response to a preliminary finding of immediate jeopardy.
- Allows a facility to provide initial information or evidence regarding allegations before ODHS makes a preliminary finding.
- Specifies that ODHS must demonstrate that a facility's noncompliance has not been corrected when issuing an order that imposes a license condition.

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

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

-4 The amendment replaces the measure. The amendment modifies requirements for ODHS to impose a license condition on a residential or long term care facility in response to a finding of immediate jeopardy. The amendment also removes changes to reporting requirements, aligns statutory definitions, and directs ODHS to adopt a differentiated rate model for agencies that employ direct support professionals who live with their clients who have intellectual or developmental disabilities.

Detailed Summary:

Residential and Long Term Care

- Modifies requirements for ODHS to impose a license condition on a facility in response to a preliminary finding of immediate jeopardy.

- Allows a facility to provide initial information or evidence regarding allegations before ODHS makes a preliminary finding.
- Specifies that ODHS must demonstrate that a facility's noncompliance with certain requirements has not been corrected when issuing an order that imposes a license condition.

Developmental Disabilities Services

- Removes changes to reporting requirements on the developmental disabilities services workforce.
- Defines "agency" as an entity that is certified or endorsed by ODHS to provide services to individuals with intellectual or developmental disabilities.
- Defines "direct support professional" as an employee of an agency to provide care or employment services to clients of an agency.
- Replaces various statutory references to "providers" and "workers" with "agencies" and "direct support professionals," respectively.
- Directs the department to adopt a differentiated rate model for an agency that employs a direct support professional who resides with a client and specifies requirements for the rate model.

Placement Decisions

- Modifies provisions that allow ODHS to place a child in care in an out-of-state institution that is pursuant to ICWA.
- Requires ODHS to notify the court and parties of the proposed placement.

REVENUE: No revenue impact

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

-5 The amendment replaces provisions that allow ODHS to place a child in an out-of-state eating disorder treatment program that is not licensed as a child-caring agency.

Detailed Summary:

- Removes the requirement for ODHS to enter into a contract with the out-of-state eating disorder treatment program.
- Modifies criteria to allow out-of-state placement in an eating disorder treatment program that is not an inpatient or residential treatment program with 24-hour nursing services.
- Modifies the requirement for the ODHS child welfare director to authorize the placement.

REVENUE: No revenue impact

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

BACKGROUND:

Residential and Long Term Care

Residential care facilities, including assisted living facilities and facilities with a memory care endorsement, are licensed and regulated by the Aging and People with Disabilities (APD) division of the Oregon Department of Human Services (ODHS). In 2025, the Legislative Assembly enacted [Senate Bill 739](#) in response to a [report](#) by the Long Term Care Ombudsman that investigated APD's handling of a recent fatal incident at a memory care facility. APD also commissioned an independent [report](#) that made additional recommendations, including changes to regulatory actions imposed in response to findings of immediate jeopardy of facility residents.

Developmental Disabilities Services

Providers of services for individuals with intellectual and developmental disabilities (IDD) are licensed and regulated by the Office of Developmental Disabilities Services (ODDS) division of ODHS. ODDS reimburses provider costs of attendant care services for individuals with IDD according to each individual's service plan and expected

hours of needed care. In 2025, ODHS delivered a legislatively mandated [study](#) on rates and wages paid to providers of in-home services that recommended several changes to ODDS and APD rate models.

Placement Decisions

Oregon law restricts ODHS from sending children in its custody to out-of-state placements unless the programs are licensed and approved by ODHS as child-caring agencies according to specific requirements. Other laws that affect out-of-state placements include the Interstate Compact on the Placement of Children, which governs transfers of jurisdiction between state child welfare agencies, and the [Indian Child Welfare Act](#), which requires Tribes to be involved in placement decisions involving Tribal children, including preferences for placements that may be in another state. Medical care and treatment services for children in ODHS custody are covered by the state Medicaid plan and providers are approved by the Oregon Health Authority, including providers located out-of-state.

Restraint and Seclusion of Children in Care

Oregon law prohibits the use of certain types of restraint and seclusion in child-caring settings such as foster homes and residential facilities. Program staff are required to be trained and certified in the use of safe and responsible techniques with regard to restraint and seclusion. The Office of Training, Investigations, and Safety division of ODHS investigates reports of abuse in these settings, including inappropriate use of restraint and seclusion.