

**HB 4042 A STAFF MEASURE SUMMARY**

**Carrier:** Rep. Kropf

**House Committee On Behavioral Health**

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**Action Date:** 02/12/26

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 8-0-0-0

**Yeas:** 8 - Edwards, Harbick, Isadore, Javadi, Mannix, Nosse, Pham H, Valderrama

**Fiscal:** Has minimal fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Brian Nieubuert, LPRO Analyst

**Meeting Dates:** 2/10, 2/12

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**WHAT THE MEASURE DOES:**

The measure modifies the regulation of child-caring agencies (CCAs) and makes specified exemptions to limitations on child care placements by the Oregon Department of Human Services (ODHS).

Detailed Summary:

Adds “place[ment of] conditions” to actions against a CCA license that ODHS must take when specified violations are found. Specifies that the definition of “mechanical restraint” does not apply to vehicle safety restraints used during the transportation of a child. Specifies circumstances that permit ODHS to place a child or ward in a congregate care residential setting that is not a CCA and situations in which placement duration limits may be exceeded. Requires child placement exceptions to be approved by the ODHS division director.

**ISSUES DISCUSSED:**

- House Bill 3835 (2025)
- Impact of insurance coverage on children’s access to out-of-state placements
- Parameters for federal financial participation for placements in congregate care facilities

**EFFECT OF AMENDMENT:**

The amendment removes provisions specifying circumstances in which ODHS may place an Indian child in an out-of-state placement. It modifies circumstances permitting ODHS to place a child or ward in a congregate care residential setting.

**BACKGROUND:**

Oregon law requires CCAs to be licensed. CCAs include academic and therapeutic boarding schools, adoption and foster care agencies, day treatment and residential treatment agencies, youth shelters, outdoor programs, and secure transportation services. ODHS’s Children’s Care Licensing Program helps set licensing requirements and makes sure CCAs meet licensing requirements, including through site visits to CCAs.