

HB 4042 B STAFF MEASURE SUMMARY

Carrier: Sen. Gelser Blouin

Senate Committee On Human Services

Action Date: 02/26/26

Action: Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

Vote: 5-0-0-0

Yeas: 5 - Drazan, Gelser Blouin, Linthicum, Prozanski, Reynolds

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 2/24, 2/26

WHAT THE MEASURE DOES:

The measure modifies the regulatory authority of the Oregon Department of Human Services (ODHS) with regard to child-caring agencies (CCAs).

Detailed Summary:

Modifies the mandatory enforcement actions that ODHS must take in response to certain findings involving a CCA. Requires ODHS to immediately suspend or revoke a CCA's license, certificate, or other authorization if the agency is found to be responsible for allowing a child in its care to be abused. Allows ODHS to impose conditions on a CCA's license in lieu of mandatory suspension or revocation if the agency fails to provide the department with financial statements or reasonable access to a child in care as required by law.

ISSUES DISCUSSED:

- Definition of mechanical restraints
- Placements of youth in programs other than licensed CCAs for services or treatment
- Time limits of placements required by federal law
- Mandatory regulatory enforcement actions

EFFECT OF AMENDMENT:

The amendment replaces the measure. The amendment modifies requirements for ODHS to take regulatory enforcement action against a CCA under certain circumstances. It also removes provisions related to placement decisions and extensions, training programs, and mechanical restraints.

BACKGROUND:

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 service providers. Oregon law requires CCAs to be licensed and requires ODHS to take immediate regulatory enforcement actions in response to certain incidents involving children in the care of a CCA. The [Children's Care Licensing Program](#) at ODHS establishes and enforces CCA licensing requirements.

The [Family First Prevention Services Act of 2018](#) made significant changes to the federal government's framework for providing Title IV funds to state child welfare agencies. Family First expanded options for providing preventive mental health services to families and enacted time limits on placements of children in congregate care. The act also limited the use of federal funds for children's congregate care to institutions that meet the definition of a "qualified residential treatment program." In 2020, the legislature enacted [Senate Bill 1605](#), which codified many provisions of Family First into state law and curtailed ODHS's ability to place children in out-of-state facilities. In 2025, the legislature considered, but did not enact, [House Bill 3835 B](#), which would have exempted certain placement decisions from those restrictions, among other provisions.