May 10, 2016

During the 2016 legislative session, Oregon lawmakers unanimously passed Senate Bill (SB) 1515, which is designed to make residential care safer for the children we serve. It demands changes in the way the Department of Human Services regulates child caring agencies and responds to reports of abuse or neglect to ensure children are safe.

We are working quickly to implement the bill. Many changes have a July 1, 2016 implementation date. We have a project team and we are developing a timeline and a work plan. Rules and procedure development will be open and transparent with lots of opportunities for participation. A SB 1515 webpage is now available where you can keep updated as we implement changes including:

- Increased inspections
- Improved background checks
- Enhanced tools to enforce child safety requirements
- Expanded oversight of child caring agency finances
- Improved transparency and accountability

Below is more detail and a deadline for each of the major changes in SB 1515.

**Inspections – Effective July 1, 2016**

- Licensing currently inspects each child caring agency (CCA) once every two years. SB 1515 doubles the number of annual inspections, requiring a minimum of one inspection per year for each agency.
- Requires DHS to maintain a minimum of five full time positions for oversight and inspections of CCAs. Currently three staff are doing the work.
- Requires DHS to develop a workload model for CCA oversight and inspections.

**Background Checks for Proctor Foster Home Applicants - Effective July 1, 2016**

- SB 1515 requires DHS to release applicant abuse history information to CCAs. Specifically, DHS is required to notify CCAs about the following:
  - Whether there is an ongoing investigation involving the applicant, and
  - Substantiated allegations of abuse or neglect by the applicant, including CPS and APS findings.
When an applicant is denied certification based on above information, CCA is required to disclose the applicant the reasons for denial.

**Tools to Enforce Child Safety Requirements – Effective July 1, 2016**

- SB 1515 requires DHS to levy civil penalties against non-compliant CCAs in certain circumstances.
- Strengthens and clarifies DHS authority to suspend, revoke or place conditions on CCA licensure.
- Requires DHS to suspend or revoke licensure in certain circumstances:
  - Death of a child resulting from abuse or neglect
  - Sexual or physical abuse or neglect of a child and no CCA action
  - Failure to cooperate with an investigation
  - Failure to provide financial statements
- Failure of DHS Director or designee to take appropriate action constitutes misconduct in the second degree

**Transparency and Accountability – Effective July 1, 2016**

- SB 1515 requires expended notifications to stakeholders:
  - Any government unit that contracts with CCA for care or services to children
  - Legislative Assembly or interim legislative committees related to child welfare
- Requires staff to notify DHS director or designee regarding suspected abuse, neglect or non-compliance
- Makes failure to take action a crime

**Oversight of CCA Finances – Effective January 1, 2017**

- SB 1515 Requires CCAs with revenue in excess of $1 million to annually submit audited financial statements to DHS for review.
- Requires other CCAs to submit audited financial statements at DHS request.
- Requires CCAs subject to reporting to also submit tax compliance certificate.

DHS Director Clyde Saiki and I want to thank the Legislature for their guidance through Senate Bill 1515. We are confident we can get this done and help improve outcomes for the children and families we serve. If you have questions, please contact SB 1515 Coordinator Gregory Jolivette at gregory.p.jolivette@state.or.us.

Sincerely,
Dr. Reginald C. Richardson Sr.