

## CHAPTER 40

## AN ACT

SB 1525

Relating to child-caring agencies that provide adoption placement services; amending ORS 418.250, 418.255 and 418.265; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 418.250 is amended to read:

418.250. In order to enable the Department of Human Services to supervise and monitor all child-caring agencies subject to ORS 418.205 to 418.327, 418.470, 418.475 [and] or 418.950 to 418.970 and all providers of care or services to children in this state, and to safeguard children receiving care or services from such agencies or providers, the department may require the child-caring agency or provider, and any juvenile court as defined in ORS 419A.004, to provide at any time, in the manner prescribed by rules adopted by the department, such information as the department requires with respect to a child who is receiving care or services from the agency or provider, or who is the subject of an order entered by the juvenile court. All information requested or received by the department under this section is confidential and not subject to public disclosure or inspection.

**SECTION 2.** ORS 418.255 is amended to read:

418.255. (1) The Department of Human Services shall inspect and supervise all child-caring agencies subject to ORS 418.205 to 418.327, 418.470, 418.475 [and] or 418.950 to 418.970 as provided in this section.

(2) Inspections of the premises of a child-caring agency shall occur no less frequently than once per year and shall be made at unexpected times, with irregular intervals between inspections and without previous notice to the agency. Inspections under this subsection shall be limited to premises where children reside and receive care or services from employees or staff who do not reside on the premises.

(3)(a) [Beginning January 1, 2017,] **Except as provided in paragraph (c) of this subsection, a child-caring agency subject to ORS 418.205 to 418.327, 418.470, 418.475 [and] or 418.950 to 418.970 that has annual revenues in excess of \$1 million [must] shall provide the [department] Department of Human Services, at such times as the department specifies by rule, with annual financial statements that have been audited by an independent certified public accountant [at such times as the department specifies by rule] and a tax compliance certificate issued by the Department of Revenue.**

(b) [All child-caring agencies] **Except as provided in paragraph (c) of this subsection, a child-caring agency subject to ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970 that [are not described in paragraph (a) of this subsection] has annual revenues of \$1 million or**

**less shall provide the [department, upon request or at such times as prescribed in rules adopted by the department,] Department of Human Services, upon request or at such times as the department specifies by rule, with financial statements that have been reviewed by an independent certified public accountant and a tax compliance certificate issued by the Department of Revenue.**

(c) **A child-caring agency subject to ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970 that provides adoption placement services but does not provide care to a child and does not receive public funds shall provide the Department of Human Services, upon request or at such times as the department specifies by rule, with a tax compliance certificate issued by the Department of Revenue.**

[(c)] (d) Information in financial statements and tax compliance certificates submitted to the [department] **Department of Human Services** under this subsection is a public record and open for inspection by any person without order of a court.

[(d)] (e) The Department of Revenue shall adopt rules to implement the provisions of this [section] **subsection** pertaining to tax compliance certificates.

(4) The [department] **Department of Human Services** may conduct an audit, including a forensic audit, of any child-caring agency subject to ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970 to determine compliance with ORS 418.205 to 418.327, 418.470, 418.475 or 418.950 to 418.970. The department may, upon request at any time, inspect and audit the books and records, including but not limited to financial records, of the agency. An audit or inspection under this subsection shall be at the expense of the department.

(5) Failure to permit an inspection, whether of the premises or of the books and records of the child-caring agency, or failure to provide the financial statements, as required by this section is grounds for the immediate suspension or revocation of a license, certificate or authorization under ORS 418.240 and for the denial of issuance of a license, certificate or other authorization by the [department] **Department of Human Services.**

(6) The [department] **Department of Human Services** may advise the operators, owners and employees of child-caring agencies subject to ORS 418.205 to 418.327, 418.470, 418.475 [and] or 418.950 to 418.970 in regard to approved methods of child care, recommended housing and equipment and appropriate methods to maintain adequate records of operations.

(7) In addition to advice provided under subsection (6) of this section, the [department] **Department of Human Services** shall provide training regarding appropriate ethnic hair and skin care for children of African-American, Hispanic, Native American, Asian-American or multiracial descent to:

(a) Child-caring agencies;

(b) Persons providing treatment, care or services under the supervision of a child-caring agency; and

(c) Prospective adoptive parents of a child in foster care.

(8) The *[department]* **Department of Human Services** shall adopt rules to implement the provisions of this section.

**SECTION 3.** ORS 418.265 is amended to read:

418.265. (1) All child-caring agencies subject to ORS 418.205 to 418.327, 418.470, 418.475 *[and]* or 418.950 to 418.970 shall report to the Department of Human Services at such times and with such information as the department prescribes in rules adopted by the department, including but not limited to fi-

nancial information about the cost to provide care or services for a child.

(2) Information submitted in reports under this section is a public record and open for inspection by any person without order of a court.

**SECTION 4. This 2018 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect on its passage.**

Approved by the Governor March 16, 2018

Filed in the office of Secretary of State March 21, 2018

Effective date March 16, 2018

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