

DOJ Opinion Summary

Iowa Olmstead Consumer Taskforce

Summary of the June 18, 2026 DOJ Office of Legal Counsel (OLC) Memorandum

Title: *Application of the Rehabilitation Act and Americans with Disabilities Act to State Institutionalization of Patients with Severe Mental Illness or Disabilities*

Bottom Line

The OLC concludes that **neither Section 504 of the Rehabilitation Act nor Title II of the ADA requires states to provide services in the “most integrated setting” or mandates deinstitutionalization of people with mental disabilities.** It further concludes that federal regulations imposing such an “integration mandate” exceed the authority granted by Congress. [\[dl\]](#)

Key Conclusions

1. Olmstead did not create a broad integration mandate

The memorandum argues that the Supreme Court's 1999 decision in **Olmstead v. L.C.** has often been interpreted too broadly. According to OLC, the actual holding was narrow:

Unjustified institutional isolation can be a form of disability discrimination.

The Court did **not** hold that states must always provide services in the most integrated setting available, nor did it definitively establish when community placement is required. The OLC contends that lower courts and agencies have treated language from a plurality opinion as though it were binding law. [\[dl\]](#)

2. Congress did not impose an integration mandate

The memorandum concludes that the Rehabilitation Act and ADA are **anti-discrimination statutes**, not statutes requiring states to provide services in a specific setting. According to OLC, the laws prohibit discrimination because of disability, but they do not require states to deliver services in community settings whenever possible. [\[dl\]](#)

3. HHS and DOJ regulations exceed statutory authority

Since the 1970s and 1990s, HHS and DOJ regulations have required services to be administered in the "most integrated setting appropriate." The OLC argues these regulations are not supported by the text of the statutes and unlawfully create affirmative obligations that Congress never enacted. [\[dl\]](#)

4. States may have legitimate reasons for institutional care

The memo argues that institutional treatment is not inherently discriminatory. States may have rational, non-discriminatory reasons for providing care in institutional settings, including:

- Patient safety
- Community safety
- Clinical judgment
- Resource limitations
- Availability of community services
- Need for supervision and medication management

Under OLC's interpretation, institutional care violates federal disability law only when disability itself is the sole reason for the placement and there is no legitimate justification.

[\[dL\]](#)

Constitutional Arguments Raised

Although OLC ultimately says it does not need to decide the constitutional questions, it argues that a federally imposed integration mandate would raise serious concerns under:

- The Fourteenth Amendment
- The Commerce Clause
- The Spending Clause
- Principles of state sovereignty and federalism

The memorandum suggests Congress would need much clearer statutory language if it intended to require states to restructure mental-health systems around community integration. [\[dL\]](#)

Critique of DOJ Civil Rights Enforcement

The memo specifically criticizes years of DOJ enforcement actions that relied on Olmstead to push states toward deinstitutionalization through consent decrees, settlement agreements, and investigations. It suggests those efforts were based on an overly expansive interpretation of federal disability law. [\[dL\]](#)

Potential Practical Impact

If adopted as federal policy, this opinion would:

- Narrow federal enforcement of Olmstead-based claims.
- Support rescinding DOJ and HHS "integration mandate" regulations.
- Give states more discretion to maintain institutional or facility-based services.
- Make it more difficult to argue that community placement is required solely under the ADA or Rehabilitation Act. [\[dl\]](#)

Relevance to Disability Policy and Olmstead Planning

For organizations involved in disability rights, inclusive postsecondary education, transition services, or Olmstead planning, this memorandum represents a significant shift. Rather than viewing community integration as a federally mandated right, the opinion frames the ADA and Rehabilitation Act primarily as prohibitions against irrational or unjustified discrimination. [\[dl\]](#)

This is an OLC legal opinion to the Executive Branch and not a Supreme Court decision. The memo itself acknowledges that many federal courts currently continue to interpret **Olmstead** more broadly than OLC does. [\[dl\]](#)