



2024 LEGISLATIVE SESSION REPORT

The 2024 Legislative Session adjourned after only 31 days, four days before the constitutional sine die, marking the end of a largely bipartisan session. In the short five-week session, we saw Republicans and Democrats come together to tackle some remarkably complex issues including affordable housing, homelessness, campaign finance, and addressing Oregon's drug crisis.

The pressure was on legislative leadership from the first gavel to find a ['fix' to Measure 110](#) (passed in 2020 by the voters) which decriminalized possession of small quantities of drugs. After months of negotiations, legislators and stakeholders reached consensus on [HB 4002](#), marking the end of Oregon's experiment with drug decriminalization. A companion bill invests \$211.16M into residential treatment, community corrections and public defense, among others, and provides individuals with a choice between facing charges or opting for treatment when found in possession of drugs such as fentanyl and methamphetamine.

Governor Tina Kotek made clear her priority for the session was to increase investments in housing and homelessness. The Legislature agreed and passed a robust [housing package](#) investing \$376 million to enhance affordable housing construction, support counties in acquiring land for development, and expand emergency shelters for the homeless.

No session adjourns without at least one surprise at the end, and this was no different. In the final two weeks, legislative leaders, business and industry, unions, and good governance groups reached a historic compromise on campaign finance; making Oregon no longer one of five states without any limitations on campaign contributions. The new limits will not become effective until 2027. Passage of the bill includes an agreement by measure proponents to withdraw their competing ballots that were likely to appear on the November ballot.

While much of the funding available to the Legislature went to housing and other bipartisan priority legislation, the ODA, with other stakeholders, sought to prioritize funding for the Oregon Wellness Program and \$14M to backfill dental rate cuts for the Oregon Health Plan. While neither of these bills passed, we anticipate both funding requests reemerging in 2025. We were pleased to see the passage of ODA member Rep. Cyrus Javadi's bill allowing providers to access information about patients who have experienced an overdose.

Focus now turns to the campaign cycle. Oregon's Primary will be held May 21st, followed by the General Election in November. This year, voters in Oregon will have the opportunity to elect a new Secretary of State, Treasurer, and Attorney General. Additionally, Oregon has six U.S. Representatives, all 60 members of the State House, and 15 members of the State Senate up for election, in addition to various local elected officials. Although it is not anticipated that the majority control, currently held by Democrats, will shift, Republicans must hold their existing seats in the Senate or risk falling into a 'super minority' resulting in Democrats having the ability to pass tax increases without a single Republican vote.

Please note: Each bill status is updated as of the publication date of this report.

ODA's Priority Bills

BILLS THAT PASSED

SB 1578 – Health Care Interpreters

Directs the Oregon Health Authority (OHA) to establish and maintain a health care interpreter management system to allow online scheduling of health care interpreters for health care providers and coordinated care organizations, and to process billing and payments for services rendered. OHA is also directed to contract with a nonprofit entity to develop and administer a health care interpreter recruitment and retention program. [The adopted amendments](#) narrow the purpose of the interpreter management system to services for Oregon Health Plan members.

Effective Date: Takes effect on 91st day following adjournment sine die – June 6, 2024.

HB 4150 – Overdose Reporting

Sponsored by ODA member Rep. Cyrus Javadi, this bill seeks to allow providers to access information about patients that have experienced an overdose, leveraging the PDMP. Rep. Javadi provided [testimony](#) in support of the bill and the OMA also testified to their work on enhancements to the PDMP, and the shift in opioid misuse from being largely prescription based to shifting towards illicit drug use. The OMA characterized the bill as an important tool and noted that they will continue to work on the reporting mechanism and language to ensure that it is trauma informed. The bill includes language stating that the information cannot be provided to licensing or regulatory boards for disciplinary action.

Effective Date: Takes effect on 91st day following adjournment sine die – June 6, 2024.

BILLS THAT DID NOT PASS

Oregon Wellness Program Funding Request

The Oregon Medical Association led a coalition of other associations including the Oregon Dental Association, Oregon Academy of Ophthalmology, Oregon Society of Anesthesiologists, Oregon Association of Orthopedic Surgeons and Osteopathic Physicians and Surgeons of Oregon supported a \$500k budget ask to fund the Oregon Wellness Program, which is a confidential counseling program for healthcare providers. The program is partially funded by license fees and has recently expanded eligibility to larger classes of licensees, including nurses. The request for general fund dollars to support the program was not realized in the 2024 Session.

Status: Not funded

Dental Rates Funding Request

The Oregon Health Authority recently announced cuts to dental rates for the Oregon Health Plan population between 3-6%. A coalition of the DCOs and the Oregon Dental Association asked legislators to provide a backfill of \$14M in funding to offset the cuts. Additionally, the coalition requested a budget note directing the agency to convene a workgroup tasked with examining the rate setting methodology. The legislature did not fund the \$14M request and did not pass any such budget note.

Status: Not funded

HB 4071 – Licensing Board Requirements

This bill would have required health licensing boards to issue a temporary authorization to certain healthcare providers within 10 days of application. It drew significant comments from health licensing boards, including the [Oregon Medical Board](#) the, [Oregon Board of Dentistry](#), and [Oregon Board of Nursing](#). Of note, there was a concern that the boards will have no disciplinary authority over temporary licensees.

The bill sponsor put forward several amendments—the [-2s](#) and [-3s](#) would have added licensing compact language for various mental health providers, but left the problematic base bill intact, and there were additional amendments (-8s – -10s), which were true gut and stuff compact amendments. The [-1](#) and [-7](#) amendments replaced the base bill with a task force comprised of licensing boards. The -7s were adopted before the bill was moved to Ways and Means, where it languished.

At the initial hearing in the House, the boards testified to concerns with the bill, while the Department of Defense, Washington County and National Association of Social Workers testified in support of the compact amendments. A representative from Willamette Dental and ZoomCare also testified in support of the bill. The bill was later referenced by Rep. Nosse during his testimony to the Senate Health Committee on HB 4010. Note, the [hospital association has offered their support](#) on the -1 task force amendments. See [full written record here](#).

During the last week of session there was a revival attempt related to mental health licensees with the -A4 amendments to HB 4023. These amendments were not advanced and were not even discussed in Committee.
STATUS: DEAD

[HB 4130](#) – Corporate Practice of Medicine Act (CPOM)

Rep. Bowman’s CPOM had an eventful last week of Session, and ultimately died as the clock ran out. See staff analysis [here](#). In short, the bill sought to ensure that physicians remain in control of healthcare by limiting private equity by requiring PE to hold less than 50% ownership. The bill also placed requirements around management services organizations, aiming to ensure that physicians remain in control of assets and patient care. Of note, hospitals and telehealth were exempted from the requirements in the bill (Rep. Bowman has stated that the telehealth issue deserves further discussion as it is a newer modality. See some testimony from a telehealth association [here](#).)

At the House public hearing the first week of Session, Rep. Bowman and SEIU offered supportive testimony, as did many individual providers and associations, including the [independent clinics](#). At the Senate hearing later in Session, the Health Committee also heard testimony in support from heavy healthcare hitters including former Governor Kitzhaber and Bruce Goldberg. Compass Oncology providers offered testimony in opposition to the bill at the hearing and in [writing](#). Governor Kitzhaber pointed out the connections between Compass Oncology and McKesson/private equity, which did cause a bit of a kerfuffle in Committee. Ultimately, the committee adopted the -A10 amendments and move the bill to the Floor. Sen. Hayden, the republican vice chair issued notice of [minority report](#).

Late in the second to last week, the Senate President re-referred the bill to the Senate Rules committee, where during a subsequent hearing, Compass Oncology testified that the -B15 amendments addressed many of their concerns. The OMA also spoke in favor of the amendments. The Rules Committee adopted the amendments, and moved the bill back to the Floor—and Sen. Knopp then issued notice of an [additional minority report](#). Ultimately, the bill failed to move forward ahead of Sine Die. See full written [record here](#).

STATUS: Passed House 42-12, DIED in Senate

HB 4055 – Corporate Activity Tax Threshold Increase

Would have increased the amount of taxable commercial activity exempt from the Corporate Activity Tax, and the commercial activity threshold for filing a tax return from \$1 million to \$5 million..

SB 1542 – Corporate Activity Tax Exemptions

Would have increased the amount of taxable commercial activity exempt from the Corporate Activity Tax, and the commercial activity threshold for filing a tax return from \$1 million to \$5 million. Would have created Corporate Activity Tax exemption for receipts from reimbursed health care services for recipients of medical assistance under ORS chapter 414, Medicare, the Public Employee's Benefit Board, the Oregon Educator's Benefit Board, the Children's Health Insurance Program, or the U.S. Department of Defense under a TRICARE contract. Healthcare-related commercial activity is generally taxable under Oregon's CAT unless a specific exemption is in statute for either the commercial activity or the business receiving payment. Additionally, receipts from prescription drugs sold at pharmacies with nine or fewer locations, and receipts of residential care facilities or in-home care agencies received as compensation for providing service to a medical assistance or Medicare recipient are currently excluded.