# FISCAL IMPACT OF PROPOSED LEGISLATION

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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#### **Measure Description:**

Requires Oregon Health Authority to administer program to provide loans to hospitals for establishing new primary care residency programs.

## Government Unit(s) Affected:

Oregon Health Authority (OHA), Higher Education Coordinating Commission (HECC)

# Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

## Analysis:

This fiscal impact statement is for the purpose of transmitting House Bill 3356 from the House Committee on Health Care to the Joint Committee on Ways and Means.

The bill allocates \$50 million of Lottery Funds from the Administrative Services Economic Development Fund to the Oregon Health Authority (OHA) for the 2015-17 biennium, and requires OHA to administer a program to provide loans, of up to \$3 million, to hospitals for making capital expenditures to establish new primary care residency programs that are sponsored by accredited medical schools or osteopathic post-graduate training institutions. In addition, the bill transfers the authority to establish and administer a cost-sharing program to train residency physicians from the Oregon Student Assistance Commission [formerly the Office of Student Access and Completion] (OSAC) to OHA. The bill limits the cost-sharing program to the start-up costs for family practice and psychiatry residencies that are sponsored by accredited medical schools or osteopathic post-graduate training institutions. The bill also appropriates an unspecified amount of General Fund to OHA for the 2015-17 biennium to cover operating costs for the cost-sharing program.

The bill is anticipated to have a fiscal impact on the Oregon Health Authority (OHA) and the Higher Education Coordinating Commission (HECC); the amount of this impact is still being determined.

A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.

# Further Analysis Required